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MANAGEMENT AUDIT

OF THE

SAN FRANCISCO POLICE DEPARTMENT

PHASE 1

Prepared for the

Board of Supervisors

City and County of San Francisco

Office of the Budget Analyst

December, 1996

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CITY AND COUNTY OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET ANALYST
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December 3, 1996

Honorable Barbara Kaufman, President
and Members of the Board of Supervisors
City and County of San Francisco
Room 410, Veterans Building
401 Van Ness Avenue
San Francisco, California 94102

Dear President Kaufman and Members of the Board of Supervisors:

Transmitted herewith is the Budget Analyst's Phase I Management Audit Report of the San Francisco Police Department (SFPD). In Fiscal Year 1996-97, the SFPD has been allocated $202,978,094 in General Fund monies, the largest amount of General Fund support of all City Departments, exceeding even the entire Department of Public Health, the largest single Department in the City and County. This Phase 1 report encompasses an examination of police services provided by the Field Operations Bureau and the ten district stations, shift scheduling practices, overtime spending and certain critical support activities. As such, this report covers the largest and most visible of SFPD's operations. Over 62 percent (approximately 1,300) of the department's 2,092 authorized sworn officers are employed in these activities. These officers have the greatest amount of contact with the general public and represent the point of service delivery for the SFPD's "Community Policing" philosophy.

Phase 2 of our management audit will continue to examine administrative functions within the Department and will focus on services provided by investigation and special enforcement units of the SFPD.

In total, this report presents 11 findings which contain 47 recommendations. Our recommendations are detailed in each of the 11 finding sections in our report. If fully implemented by the Department, these recommendations would result in an estimated $6.9 million in annual reduced costs and increased revenues for the City

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and County of San Francisco's General Fund. In addition, many recommendations will produce improvements to operations and increased efficiencies that will result in quantifiable benefits with an estimated value of $4.5 million annually. The total benefits to be realized through the proper implementation of the recommendations presented in this report are at least $11.4 million annually.

As part of this study, we reviewed information compiled by the Federal Bureau of Justice Statistics which are published in *Law Enforcement Management and Administrative Statistics, 1993: Data for Individual State and Local Agencies with 100 or More Officers.* From this report, we compared San Francisco with statistics for 30 of the largest police departments in cities throughout the United States. Some of the significant comparative information is summarized below:

- San Francisco is one of 31 agencies throughout the United States which employs over 1,000 police officers. San Francisco compares favorably with these jurisdictions, employing an average of 25 police officers per 10,000 residents. The other 30 jurisdictions employee an average of 22 police officers per 10,000 residents.

- San Francisco spends nearly twice as much per resident on law enforcement services than do the other large jurisdictions. San Francisco spent approximately $250 per resident in 1993, compared with an average of $134 per resident in the other jurisdictions.

- San Francisco employs a higher percentage of women and minorities than the other 30 largest jurisdictions, at 13 percent female (compared to an average of eight percent for the other jurisdictions) and 33 percent minorities (compared to an average of 18 percent in the other jurisdictions).

- San Francisco operates fewer police vehicles than do the other 30 jurisdictions, with approximately 25 total vehicles per 100 officers compared with an average of 53 total vehicles per 100 officers in the other jurisdictions, or 52.8 percent less in San Francisco. -

- San Francisco operates special units for all or 100 percent of reported categories of youth and family problems. Many of the other 30 jurisdictions also operate such programs, for an average of reported categories as follows: child abuse (80%), domestic violence (53%), drug education in schools (95%), gangs (76%), juvenile delinquency (86%), and missing children (74%).

In other areas, including the use of civilian employees, San Francisco compared less favorably in that there are fewer civilian employees in relation to the number of sworn employees in other police departments. This issue, and others, will be reviewed in depth as part of our Phase 2 Management Audit which we anticipate will be completed in the Spring.

Our report notes numerous accomplishments of the San Francisco Police Department. The new Chief of Police has established overtime quotas for each of the Bureaus and divisions within the Department, which was one of our early recommendations communicated informally to the Department. We estimate that this policy change, if properly implemented by the Department, will reduce paid overtime by 43,564 hours per year for a total cost reduction of approximately $1.7 million per year. In addition, SFPD management has acted quickly and responsibly to correct deficiencies we found with respect to purchasing through the department's revolving fund and inventory management and control.

Our management audit report is organized into six sections. Appended to our management audit report, beginning on page 131, is the written response of the Chief of Police. A summary of our findings, conclusions and recommendations follows.

District Station Deployment

As a part of the Budget Analyst's management audit of the San Francisco Police Department, we researched the deployment policies and practices of the Field Operations Bureau's ten district stations. With over 1,300 personnel, the district stations are the units within the Department with the greatest and most consistent exposure to the general public. In performing this review we found:

- Police Department command staff have not developed standards or an effective process for assigning police officers to each of the ten district stations. As a result, district station Captains have mixed success achieving the minimum staffing levels which they believe are appropriate for their districts. Further, workload disparities between district stations are significant, requiring officers in some areas of the City, such as the Potrero and Central Districts, to respond to twice the number of high priority calls per officer than do officers in other areas of the City.

- Police officer deployment practices at the district stations, the temporary reassignment of officers to other duties, and patterns of officer absenteeism are also problematic. Because of these and other factors, per officer workload is highest at the district stations during evening and weekend shifts when service demands are greatest. Additionally, because of seniority rights established in the labor contract with the Police Officers Association (POA), evening and weekend shifts are generally staffed with the least experienced officers.

- Based on our attendance data, we found that at seven out of ten district stations, the two days of the week with the highest percentage of staff taking sick and other unanticipated leave days were Saturday and Sunday. At all ten district stations, Saturday was one of the two days of the week with the highest percentage of sick and other unanticipated leave days.

- Including both sick days and reassignment days, Saturday consistently has the highest percentage of officers absent from their regular duty in nine out of the ten

district stations. The rate of such absences ranges from 15 percent in the Northern Station to 28 percent in the Tenderloin Station.

Our review of this area concluded that the Police Department should modify current officer deployment and shift assignment practices, and closely manage police officer sick leave use in order to achieve a more effective and balanced allocation of police officer resources. Allocating staff in a manner that corresponds more closely with crime activity would be equivalent to adding nearly 28 additional police officers during periods when police coverage is currently at its lowest, thereby producing a benefit of an estimated $2.0 million per year.

Police Officer Scheduling

The SFPD's current practice of scheduling district station police officers for four-day ten-hour shifts each week (4/10 scheduling system) impacts staff availability and productivity and increases costs. Under a five-day, eight-hour shift scheduling system (5/8 scheduling), the district stations could provide significantly more police coverage (defined as the number of hours or shifts actually worked by sworn employees during a given time period) with the same number of employees, and could achieve higher staff productivity.

Additionally, 4/10 scheduling results in higher than necessary overtime expenditures for special events and court appearances. Under a 4/10 system, officers are more likely to incur overtime expenditures than under a 5/8 system, since there is a greater likelihood that officers will be called in for special event duty or for court appearances on their regularly scheduled days off. Our review of Police Officer Scheduling found that:

- The current 4/10 scheduling practice (four, ten-hour shifts per week) at the district stations results in less police coverage than would be provided under a 5/8 scheduling system (five, eight-hour shifts per week). Under a 5/8 system, such as the schedule employed by the City of Los Angeles Police Department in two of its three Police Districts, the Police Department could improve service levels that would otherwise require an estimated 40 sworn officers, at an estimated benefit of $2,414,670 per year.

- Staffing inefficiencies occur because 4/10 scheduling reduces backfill coverage for certain types of absences, such as holidays and training. In addition, 4/10 scheduling results in an average of 30.9 fewer officers scheduled to work per shift compared to the 5/8 scheduling system. During FY 1995-96, the district stations incurred 35,497 hours of court overtime largely because under a 4/10 system officers have more days off and therefore receive overtime to make court appearances on days off. Lastly, 4/10 scheduling results in increased court and special event overtime expenditures of an estimated $840,494 per year.

- Police Department management should meet and confer with the Police Officers Association to convert to a 5/8 scheduling system, and/or to implement potential improvements to the existing 4/10 system.

Overtime

In FY 1995-96, the Police Department incurred $16,154,870 in overtime expenditures (including $2,582,538 in holiday overtime). Although SFPD management has met and conferred with the Police Officers Association to negotiate limits on the accrual of voluntary overtime, such as Special Law Enforcement Services (where outside funding sources, such as movie companies, pay for police officer services at overtime rates) and Grant Funded activities, the current practices described in this report have not changed since calendar year 1995, the last full year for which overtime pay records are available.

Special events are the single largest reason for overtime in the Police Department. In FY 1995-96, the Department logged 103,858 overtime hours for special events, which represents 35.8 percent of all of the SFPD's General Fund non-holiday overtime hours (excluding Special Law Enforcement Services or SLES).

Investigative Overtime

Investigative overtime represents the second most significant source of General Fund overtime for the Police Department. Investigative overtime usage has increased by an average of 12.6 percent per year since FY 1992-93. Our review of Investigative Overtime found that:

- At approximately 20 percent of overtime costs, investigative overtime represents the second most significant source of General Fund overtime expenditures for the Police Department. Investigative overtime usage has increased by an average of 12.6 percent per year since FY 1992-93.

- Investigative personnel work a standard eight-hour, five day work week schedule, even though a portion of their work takes place during evening and weekend hours.

- Investigators receive two hours of overtime pay for being on-call during off-duty hours, despite the fact that Civil Service rules only authorize two hours of straight time pay for on-call duty.

- Introducing flexible time for investigators and paying investigative standby pay at straight time rate rather than the overtime rate of pay, as permitted by Civil Service, would result in annual reduced costs to the City of at least $504,304 in overtime expenditures.

Court Overtime

Off-duty court appearances are the third most significant reason for police overtime. The Police Department logged 53,774 hours in court overtime during FY 1995-96, which represented 18.5 percent of all General Fund non-holiday overtime hours in that year. Our review of Court Overtime found that:

- Although court overtime expenditures have declined by 30 percent since FY 1992-93 due to progressive policy changes implemented by the Police Department, court overtime continues to represent the third most significant reason for police officer overtime in the SFPD.

- Officers receive two hours of overtime for court standby, which is contrary to Civil Service rules which stipulate that 2.5 hours of straight time pay should be paid instead of two hours of overtime.

- In addition, San Francisco has not implemented Proposition 115, which could result in a significant savings in court overtime expenditures for the Police Department. Proposition 115 authorizes individual police officers to present the reports of other officers as hearsay evidence at preliminary hearings, reducing the number of officers required to attend court.

- Paying court standby pay at the straight time rate – in accordance with Civil Service rules -- and implementing the provisions of Proposition 115, should result in reduced court overtime expenditures for the Police Department of an estimated $964,398 per year.

According to the Police Department, prior to 1984, court standby pay was paid in accordance with Civil Service rules. However, the Police Department advises that, after the approval of a 1983 Charter Amendment which authorized the payment of sworn overtime at the rate of time and one-half rather than at the straight time rate, the Police Department started paying the two hours of standby pay also at the overtime rate. This change in practice was not authorized by, or consistent with the intent of the 1983 Charter Amendment and is directly contrary to existing Civil Service Rules.

Separate budgeting of court standby pay in the Police Department's annual premium pay budget would permit the Department to more easily track the use of court standby hours.

Arrest Overtime

The Police Department incurred 32,687 overtime hours for arrests in FY 1995-96, of which 13,021 hours were incurred by police officers working in the district stations. Our review of Arrest Overtime found that:

- Although arrest overtime represents only 11.3 percent of all General Fund overtime for the Police Department, arrest overtime hours have increased by 41.2 percent since FY 1991-92.

- Arrest overtime at the district stations is incurred primarily when arrests occur at the end of a police officer's shift, because the performance of arrest-related duties often requires several hours of a police officer's time.

- A written policy directive should be implemented by the Chief of Police to require that district sergeants, when possible, delegate arrest-related duties to officers who have sufficient time remaining on their shifts to perform such duties without incurring overtime. Based on this directive, district captains should set a goal of reducing arrest overtime by at least 25 percent. The district captains should regularly monitor field sergeant adherence to this directive, and Field Operations Bureau Administration should report back to the Chief of Police with results of this change in policy one year after implementation. Successful implementation of this recommendation would result in annual reduced overtime costs of at least $114,836 per year.

High Overtime Earnings by Individual Officers

According to SFPD management, many police officers who earn high amounts of overtime are regularly scheduled to work on the night shift and weekends. As a result, these officers can earn significant overtime when required to attend weekday and daytime court during their off hours. Individuals who are scheduled on holidays, work special duty, volunteer for a significant number of special events (including Special Law Enforcement Services funded events) or are assigned to grant activities can also earn high amounts of overtime. Based on our review of overtime records, special event overtime (or Extended Work Week--EWW), is the largest single reason overtime is paid to police officers, representing approximately 36 percent of all overtime paid in FY 1995-96. Also, over $3.1 million annually is paid in SLES overtime using non-City funds and such funds are the source for many high earners of overtime. Although specific records are not maintained by the Department, it is also likely that Investigative overtime and EWW overtime is a major contributing factor to high overtime earnings paid from City funds by individual officers. Our review of this area found that:

- Police officers who work a high number of overtime hours can become fatigued, increasing the potential for using poor judgment during the performance of their duties. Using poor judgment can impact the safety of the police officer, his or her co-workers and the public, and can result in increased officer injury and workers compensation costs for the City.

- In calendar year 1995, 403 sworn employees regularly worked in excess of 48 hours per week. Of these, 61 sworn employees earned between $30,000 and $40,000 in overtime wages and 18 sworn employees earned over $40,000 in overtime wages, for a total of 79 employees earning in excess of $30,000 in

overtime wages in one year. One individual earned more than the Chief of Police. In addition, 13 high ranked sworn employees, including the ranks of Captain, Commander and Deputy Chief, individually earned between $9,750 and $34,000 in overtime pay each in Calendar Year 1995.

- Although overtime pay data is only available for 1995, these practices have not changed. However, the management of SFPD is now meeting and conferring on setting limits on voluntary overtime pay, such as Special Law Enforcement Services (SLES) in contrast to non-voluntary overtime such as court time. The Police Department should establish limits on voluntary individual overtime for sworn employees and should more closely monitor overtime earned by civilian employees. By establishing overtime limits, the likelihood of police officer fatigue and overtime expenditures would be reduced.

Individuals who work a significant number of overtime hours can earn relatively high salaries when compared with their co-workers. These individuals can become dependent on their higher salaries, competing vigorously with their co-workers for overtime assignments when such assignments become available. Accordingly, by providing a culture of unfettered acceptance and opportunity for individuals to increase their salaries substantially over base levels, the City may be inadvertently encouraging its employees to overwork themselves and to manipulate the work scheduling system to achieve personal economic advantage. Working a high number of overtime hours can become a person's primary employment goal, regardless of how an excessive work schedule may adversely affect his or her personal or professional life.

Of the 79 employees who earned in excess of $30,000 in overtime wages, there were 16 police officers, sergeants and inspectors who earned total salaries in excess of $100,000 in CY 1995. The total earnings for these individuals exceeded the base annual salaries for lieutenants, captains and commanders, which were $68,821, $80,812 and $95,488 respectively in 1995. Four of these individuals earned more than $117,515 per year, which is the salary of a deputy chief. One sergeant earned more than the chief of police, who earns $126,694 per year. That sergeant, who was the top overtime earner in CY 1995, was assigned to the Vice Unit in the Investigations Bureau and earned approximately $66,405 in overtime wages, for a total annual salary of approximately $130,485.

Five officers worked between 59.1 percent and 73.8 percent of their 2,088 regularly scheduled hours in overtime (2,088 hours per year includes holiday, vacation, sick, and other leave hours), or an average of between 23.7 and 29.0 hours of overtime per week, for all 52 weeks in the year. Based on our analysis and as documented in Section 1 and Section 2 of this report, regular and overtime hours worked by these individuals exceeded the average number of total hours worked by other police officers in the Department by a minimum of between 174.0 percent and 190.5 percent in 1995 (nearly twice as many hours).

We did not evaluate the specific reasons why these individuals were permitted to work such high amounts of overtime. Certainly, as with other police officers in the Department, some of this overtime was necessary and unavoidable due to the nature of the individuals' assignments and workload. However, in the professional judgment of the Budget Analyst, working overtime hours to the extent reported for the top overtime earners in the Department can lead to worker fatigue and low morale.

The San Francisco Administrative Code establishes the maximum number of overtime hours that can be worked by Miscellaneous (non sworn) employees as 16 percent of regularly scheduled hours (approximately 334 overtime hours per year). There is currently no limit on overtime for sworn employees. Upon examining the Controller's overtime report, the Budget Analyst identified 580 sworn employees (28.5 percent of the workforce in 1995) and ten Miscellaneous employees with overtime hours in excess of 16 percent of regularly scheduled hours, or more than 334 overtime hours per year.

By establishing overtime limits, the likelihood of police officer fatigue would be reduced, and police officer and public safety would be enhanced. Additionally, potentially unnecessary overtime would be eliminated in the amount of at least an estimated $220,000 annually.

Overtime Policies and Practices

During our review of police overtime expenditures, we identified several policies and practices which reduce the efficiency and cost effectiveness of the Police Department. These policies and practices, which are described in further detail below, include: (1) paying police officers ten hours of overtime when working special events on their regularly scheduled days off, regardless of the actual number of hours worked; (2) limiting the authority of commanding officers when changing a police officer's schedule; (3) paying overtime to individuals at the rank of captain and above; and, (4) paying overtime wages on the same day or during the same week that a police officer takes leave. Our review of Overtime Policies and Practices found that:

- The Police Department has many policies and practices that result in a higher use of overtime than is necessary given current practices in other City departments, other jurisdictions, and Federal Fair Labor Standard Act (FLSA) provisions.

- Police Officers who work on their regular days off to provide police coverage for special events are customarily paid ten hours of overtime, even if less than ten hours are worked.

- Commanding officers cannot change a police officer's schedule more than three hours to staff a special event or to attend court while on-duty, increasing the probability that overtime will be paid.

- As previously noted, upper level managers are currently entitled to receive overtime wages for extra hours worked. In fact, 13 high ranked sworn employees,

including the ranks of Captain, Commander and Deputy Chief, individually earned between $9,750 and $34,000 in overtime pay each in Calendar Year 1995.

- Although not required by the Fair Labor Standards Act, police officers are often paid overtime wages on the same day or in the same week during which they take leaves of absence.

- Police Department management should meet and confer with the Police Officers Association (POA) to revise or eliminate the policies and practices identified above. If fully implemented, the recommended changes included in this section would result in significant reduced overtime costs of up to $1,957,200 per year, and a reduction in the amount of compensatory time-off currently being earned by police officers.

In practice, police officers who are required to work on their days off for the purpose of policing a special event are often authorized to receive ten hours of pay at the overtime rate, regardless of the number of hours actually worked.

In fact, the January 1996 Controller's report on the City's top overtime earners included 11 captains and two commanders on the list of employees who earned in excess of ten percent of their total wages in overtime, resulting in $274,371 in overtime expenditures during CY 1995 just for these 13 employees. Moreover, of these 13 employees, seven worked in excess of 16 percent of their regularly scheduled hours in overtime, resulting in individual overtime wages of up to $34,000 per year. Based on a report from the Controller's Office, 5,441 overtime hours were incurred by high ranked sworn employees in FY 1995-96, resulting in annual overtime expenditures for these employees of $321,220.

As senior managers, these employees are not held to specific work schedules and should not be treated as hourly employees. Any overtime work required of such employees is already reflected in their high annual salaries. In other City departments, high level management or administrative positions (classified as "Z" employees by the Human Resources Department) are exempt from the payment of overtime wages. In a survey of overtime payment policies in ten other California police departments (Alameda, Fremont, Fresno, Long Beach, Los Angeles, Oakland, Sacramento, San Diego, San Jose and Santa Rosa), the Budget Analyst found that only two of these police departments (Oakland and San Jose) paid overtime to Captains and none paid overtime to higher ranked sworn employees. In addition, eliminating overtime for these high ranks would set an example for lower ranks and would increase scrutiny of overtime use by officers of lower rank.

The Charter establishes the basic week of service for sworn employees at 40 hours and provides that, for service performed in excess of the basic week of service, the employee shall be compensated at the rate of time and one-half. Additionally, pursuant to General Order Manual Section 11.01, San Francisco police officers are entitled to overtime compensation for any work performed in excess of a normally scheduled work week (40 hours) or a normal watch (eight or ten hours per day). Thus,

a police officer who is paid for 40 hours a week is paid at the overtime rate for any additional hours worked beyond his or her regularly scheduled hours for one day, even if he or she takes time off during that week and actually works less than 40 hours. For example, a patrol officer who takes a compensatory day off, thereby reducing his or her actual work time from 40 hours to 30 hours, is compensated at the overtime rate if he or she works an additional shift on another day during that same week.

In a random sample of attendance and overtime records for four pay periods during CY 1995 for 529 sworn employees of all ranks throughout the Police Department, the Budget Analyst identified 755 instances in which officers took authorized leave and received overtime wages during the same seven day period. These employees were paid an annualized estimate of $5,243,366 in overtime wages for an estimated 131,511 overtime hours worked. If the number of hours of leave had been deducted from the normal work week of 40 hours, these employees would have been paid at the overtime rate for only 36,711 of these 131,511 hours, or 72 percent less overtime hours. The remaining 94,800 hours would have been paid at the straight time rate. If the Police Department had paid for these 94,800 hours at the straight time rate of pay, and for the remaining 36,711 hours at the overtime rate of pay, as is authorized by the FLSA, annualized expenditures would have been $3,981,991, or $1,261,375 (24 percent) less than the estimated expenditures of $5,243,366.

Furthermore, in the same sample, the Budget Analyst identified a number of instances when officers took authorized leave and accrued compensatory time off (in lieu of overtime wages) during the same seven day period. On an annualized basis, these employees accrued an estimated 35,189 compensatory hours at the rate of 1.5 times the number of overtime hours worked (23,459.1 hours). If the number of hours of leave had been deducted from the normal work week of 40 hours, these employees would have accrued only 27,341 hours of compensatory time off (15,695 hours at the straight time rate plus 11,646 hours at the rate of 1.5 times the 7,764 hours of actual overtime worked), or a reduction of 7,848 hours of compensatory time. This reduction in accrued compensatory time off would result in fewer leave days taken throughout the Police Department, and would be equivalent to the addition of nearly five sworn employees at no additional cost to the Department, producing an estimated annual benefit of over $285,000.

The Budget Analyst identified 102 instances at the district stations in which officers took authorized leave and received overtime wages on the same day. For example, one officer took two hours of compensatory time off during his regular shift, but then received overtime wages at the rate of 1.5 times the straight time rate of pay for four additional hours worked beyond his regular shift on that same day. Similarly, we identified many instances where officers took an entire day off and received overtime wages on the same day.

Special Event Deployment

Special events impact the operations of the district stations by diverting police officers from their normal duties, and requiring that other police officers work high

amounts of overtime on their scheduled days off. For every hour of special events that occurred in FY 1994-95, an average of 38 hours of police coverage were provided by the Police Department. Our review of Special Event Deployment found that:

- By requiring that follow-up reports be completed for each special event, the Police Department could ensure that an objective assessment of the level of police coverage provided at each special event takes place, which can be used in the future as the basis for planning special event deployment. Additionally, the amount of both on-duty and overtime officers assigned to providing special event coverage could potentially decline.

- Forming a special event unit under Field Operations Bureau Headquarters would lessen the drain on district stations resulting from special events and would reduce special event overtime expenditures by at least $927,149 per year.

Based on our analysis, we found that, in FY 1994-95, the Police Department deployed sworn employees at 506 special events (excluding UN 50 and Special Law Enforcement Services or SLES events). Each event lasted an average of approximately 1.28 days, for a total of 649 special event days. The average duration of each event was 8.3 hours or 6.5 hours per event day. The SFPD provided 159,897 hours of police coverage for special events, consisting of 88,894 on-duty hours and 71,003 overtime hours. This is equivalent to approximately 96 sworn personnel devoted to special event coverage on a full-time, annual basis. Of these 96 personnel, approximately 53 police officers are diverted from other duties in order to provide police coverage for special events.

Additionally, we found that for every hour of special events, an average of 38 hours of police coverage were provided by the Police Department, consisting of 21 on-duty hours and 17 overtime hours. For every special event covered, an average of 316 hours of police coverage were provided, consisting of 176 on-duty hours and 140 overtime hours. This is equivalent to between 32 and 40 police officers per event. The General Fund cost of deploying officers to cover special events was $5,149,719 in FY 1994-95, including on-duty time and overtime.

Accordingly, special events present a significant drain on police resources, especially at the district stations. As noted in Section 1 of this report, the deployment of on-duty officers from the district stations takes away from the ability of the district stations to provide sufficient staff to perform regular police duties, such as responding to calls for service. Furthermore, the overall response of the Police Department to special events appears to be excessive. For example, there are many instances where we observed that there were many more police officers in attendance at a special event than event participants. Moreover, many of these officers are being paid overtime wages. As noted in Section 3 of this report, special event coverage is the single largest reason for overtime in the Police Department.

Our analysis demonstrated that the Special Operations Division (SOD) provided 60,885 on-duty hours and 24,142.5 overtime hours, or a total of 85,027.5 hours of

police coverage for special events during FY 1994-95. This is equivalent to approximately 51 personnel devoted to special event coverage on a full-time, annual basis. Of these 51 personnel, approximately 36 employees are diverted from other duties at SOD.

Special Event Cost Recovery

According to recently developed reports, the Police Department provided police coverage for 706 special events in FY 1995-96, for a total cost of $7,303,564 to the Police Department. However, the City was reimbursed by outside parties for only $3,157,296, or 43 percent of total costs, resulting in a net cost to the General Fund of $4,146,268. Our review of Special Event Cost Recovery also found that:

- The Police Department provides police coverage at many special events at little or no cost to the event sponsor. Further, the San Francisco Giants and the 49ers pay only 31 percent of the cost of providing police coverage at 3 Com Park.

- The Police Department has waived the payment of Special Law Enforcement Services (SLES) administrative overhead for certain organizations without proper authority. Such waivers must first be approved by the Board of Supervisors. Additionally, payments received for SLES administrative overhead do not accrue to the General Fund, as is required under the Administrative Code.

- The Police Department should prepare a report for the Board of Supervisors containing policy options which could further offset the high cost of providing police coverage at special events.

- Additionally, the SFPD should negotiate with the 49ers and the Giants to improve existing agreements for providing police coverage at sporting events in an effort to increase the level of cost recovery. Such negotiations should take place prior to the opening of the planned Downtown Ballpark and any replacement facility for 3Com Park at Candlestick Point.

- Lastly, the Controller's Office should perform a financial audit of the Special Law Enforcement Services Fund as part of its current review of revolving funds.

- Implementation of the policy options in this section would generate additional revenues to the City of between $503,607 and $1,268,899 per year.

San Francisco Administrative Code Sections 2.75-1 through 2.75-5 govern the cost recovery procedures for athletic events. Under these sections, the Department is authorized to collect 100 percent of its costs associated with such events, such as Bay to Breakers, the San Francisco Marathon, Bridge to Bridge 5K & 10K Walk/Run, and 12 other annual events. San Francisco Police Code Sections 366 through 379 contain provisions related to Police Department cost recovery for parades. According to the Police Department's Special Events Management and Planning Unit (SEMPU), because parades represent cultural statements akin to First Amendment

expressions, police coverage is provided for each parade at no cost to the parade sponsor.

However, SEMPU further advises that parades should be distinguished from celebrations, which are often held concurrent with or following parades. Examples include concerts; the Independence Day, Halloween and New Year's Day celebrations; grand openings; festivals; and, other events. Celebrations are often sponsored by organizations with non-profit status, and they typically generate significant revenues through concession sales. However, the Police Department is not authorized to obtain cost recovery for police coverage provided at celebrations.

In FY 1995-96, the Department collected $3,112,906 in Special Law Enforcement Services (SLES) payments (including the 22.6 percent for administrative overhead). However, the Police Department has waived the payment of SLES administrative overhead for several organizations, such as movie production companies, without Board of Supervisors approval. Additionally, none of the SLES Fund administrative overhead payments received by the Police Department have been deposited into the General Fund, as is required under the Administrative Code. These funds have instead been retained by the Police Department in the SLES fund. The Police Department argues that by retaining the overhead payments in the SLES fund, cash flow problems are averted. Based on the total amount of SLES payments received by the SFPD in FY 1995-96, the estimated amount of overhead retained in the SLES fund could be as much as $703,517, but is probably less because the Police Department inappropriately waived the overhead charges to some organizations. The Controller should conduct an audit of the SLES fund to determine the total amount due to the general fund for overhead payments which have been retained by the Police Department.

Furthermore, even though SLES funds are intended to recover the entire cost of providing police coverage for a particular event, the actual cost of providing police coverage is in many cases higher than the amount collected. For example, each year the Police Department reaches separate agreements with the San Francisco Giants and the San Francisco 49ers regarding the level of police coverage to be provided at each baseball and football game, respectively. Under these Memorandums of Understanding (MOU), these two teams are also not required to pay administrative overhead, as is required of other private or non-profit organizations which utilize SLES services. Moreover, each team is only required to pay for police coverage that is provided inside the stadium. Thus, the cost of providing police coverage on game days outside the stadium (in parking lots and on nearby streets) is absorbed by the General Fund. In FY 1995-96, the Police Department provided 29,788 hours of police coverage for 97 sporting events at 3 Com Park, including 86 baseball games and 11 football games. The total cost of providing police coverage for these 97 games both inside and outside the stadium was $1,105,361. Of this amount, only $340,069 or 31 percent was paid for with SLES funds received from the Giants and the 49ers. The remaining $765,292 in expenditures were paid by the General Fund.

District Station Vehicle Availability

Vehicle allocations to the bureaus and divisions are generally made by SFPD management based on the needs expressed by the district station captains and commanders of the various special enforcement and administrative units within the Department. After reviewing these requests, historical vehicle assignment practices, and the current number of operable and available vehicles, vehicle assignments are made by management for all bureaus and divisions within the Department. Management decisions to purchase additional or replacement vehicles depend upon the results of this analysis and the annual budget process. Our review of District Station vehicle availability found that:

- The San Francisco Police Department had approximately 560 marked and unmarked sedans, vans, wagons, and pick-up trucks in FY 1995-96. Nearly 43 percent, or 240 of these vehicles were assigned to the District Stations.

- A review of district station vehicle inventories indicates that the number of assigned vehicles do not correspond with the district station captains' perceptions of vehicle need or actual use patterns. When vehicle inventories are compared with minimum staffing assignments at the District Stations (e.g., marked patrol car beats, undercover officers, watch supervisors, and command staff), some stations operate with a surplus, while others operate with a deficit of vehicles. Further, the reliability of vehicles assigned to each district station varies significantly based on average vehicle mileage and age.

- The Department should implement a standardized vehicle assignment methodology which ensures that police officers at the district stations can work in the most effective manner possible. In addition, vehicle mileage and reliability should be regularly monitored by location to ensure that each district station is able to maintain a vehicle inventory which is appropriate for accomplishing its law enforcement objectives.

For example, the Central District, which has the highest number of surplus vehicles also has:

- A high proportion of late model vehicles;
- the second lowest average total miles by vehicle among all of the district stations; and,
- the fourth lowest number of average annual miles per vehicle.

At the same time, the Richmond and Ingleside districts, which have some of the largest vehicle deficits among the district stations, have a vehicle fleet with some of the highest average total vehicle miles. These two districts also accumulate the highest average number of annual miles per vehicle, suggesting that the vehicles at these locations are generally driven more regularly, and for longer periods and distances. Combined with the deficits in total available vehicles, it is likely that these

locations have a more difficult time maintaining sufficient available vehicle equipment for all of their police officers than do other district stations.

By implementing our recommendations on allocation of police vehicles, the Police Department would be better able to assess vehicle needs by location within the Department, and distribute available equipment in a more equitable fashion.

SFPD Materials and Supplies Purchasing and Inventory Management

A critical support function for SFPD field operations is the provision of materials and supplies ranging from weapons and ammunition to routine office supplies. The management audit examined this function in detail in order to evaluate the extent to which SFPD units receive sufficient support in a timely and efficient manner. In performing this review we found that:

- The SFPD is unable to determine the current dollar value of its materials and supplies storeroom inventory, cannot document the last date a physical inventory was completed, does not track its inventory usage, and has no written policies and procedures regarding inventory re-order points.

- SFPD field units are not provided with specific procedures regarding appropriate supply levels and have not been provided with a catalog of supply items available from the central storeroom.

- Supply requisitions are completed by unauthorized persons and no formal policy exists for segregation of ordering and receiving functions.

- The Revolving Fund was used inappropriately as an expedient purchasing method for any material or supplies purchase of $200 or less, including routine supply items purchased by the Property Room that should be procured through City or Department blanket purchase orders.

- Many Revolving Fund purchases were made repeatedly for the same items or from the same vendors, indicating that the Department should develop Department blanket purchase orders or other purchasing arrangements with these vendors.

- The $200 per invoice per day limit was frequently circumvented by placing several smaller orders on separate invoices, or ordering more frequently in amounts costing exactly $200 or less.

- Some purchases made through the Revolving Fund exceeded the $200 per invoice limit (exclusive of tax and shipping charges), and these purchases were approved and paid by the Fiscal Division.

- The Revolving Fund was being used inappropriately to circumvent the centralized supply functions, for the purchase of items that should be procured through the Property Room, or through the MIS Division.

- Improvements to procurement and distribution of inventory and elimination of inappropriate purchasing through the Department's revolving fund would produce total benefits of $264,000 annually.

Since the SFPD lacks written policies and procedures that describe appropriate supply levels and re-ordering protocols, units often submit unnecessary supply requests. The Property Room estimates that, on an annual basis, a total of 4,750 requisitions are completed, consisting of approximately 700 monthly requests and 4,050 "emergency" requisitions. Emergency requisitions issued often contain routine items. For instance, "emergency" requests include items such as hanging folders, tabs, batteries, magnetic paper clip dispensers, stamp pads, wall calendars and similar items that should be requested during the normal monthly requisition process. Department staff estimates that of the 4,050 "emergency" requests issued, only 22 percent (900 requests annually) are special orders that are required to be completed within one day.

Based on the findings and conclusions outlined above, the Budget Analyst has presented 47 detailed recommendations in this management audit report. The detailed recommendations are presented at the end of each of the sections and subsections with a summary of the benefits of implementing the recommendations.

The Budget Analyst would like to acknowledge and thank the management and staff of the Police Department for their cooperation during the course of this management audit. Without their willing assistance, our task would have been much more difficult.

Respectfully Submitted

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Introduction

The Budget Analyst of the City and County of San Francisco has performed this *Phase 1 Management Audit of the San Francisco Police Department* pursuant to direction received from the Board of Supervisors under the authority granted by Charter § 2.114. Analysis to complete Phase 2 of this management audit is underway.

Project Scope

The scope of the *Management Audit of the San Francisco Police Department* is to be comprehensive. This Phase 1 report encompasses an examination of police services provided by the Field Operations Bureau and the district stations, shift scheduling practices, overtime spending and certain critical support activities. As such, this report covers the largest and most visible of SFPD's operations. Over 65 percent (approximately 1,300) of the department's sworn officers are employed in these activities. These officers have the greatest amount of contact with the general public and represent the point of service delivery for the SFPD's "Community Policing" philosophy.

Phase 2 will continue to examine administrative functions within the Department and will focus on services provided by investigation and special enforcement units of the SFPD.

This Phase 1 report includes findings which have been grouped into the following major categories:

- Current district station police officer deployment practices (Section 1);
- Police officer scheduling, focusing on economies and enhanced services which could be achieved with a eight hour, five day scheduling system for line police officers and supervisors (Section 2);
- Police officer overtime by major category, including end-of-shift overtime, investigative overtime, court overtime, and special event overtime (i.e., extended work week) (Section 3);
- Police officer deployment for special events, and mechanisms for achieving a higher ratio of cost recovery for police services provided at such events; (Section 4)
- District station vehicle deployment practices (Section 5); and,
- Materials and supplies purchasing and inventory management. (Section 6)

In addition to the findings and recommendations described in this report, the Budget Analyst also examined other key areas of the SFPD's operations. These areas concern 911 Emergency Communications operations and the management of contractual services. No findings or recommendations are reported for these areas.

Although the department's 911 Emergency Communications operation has been the subject of two prior management audits and quarterly public hearings before the Board of Supervisors Rules Committee, we have monitored developments with respect to the procurement and installation of an interim Computer Aided Dispatch (CAD) system. We have also performed another in a series of staffing analyses in order to assess the adequacy of dispatcher staffing in the department. In doing so, we employed a staff evaluation model previously used by the Controller's Internal Audit staff to test the sufficiency of staffing levels. We updated the data used by the model to reflect current actual staffing, schedules, workload and absenteeism rates. Our analysis found that the number of Communications Dispatch staff required using current levels of productivity remains approximately the same as previously identified by the Police Department. The model predicted the need for 129.3 Dispatchers. The current level of staffing is 135 Dispatchers, which includes a scheduling "cushion" of approximately one Dispatcher per shift.

The management audit project had been underway for approximately four months, when, in January, 1996 the recently elected Mayor of San Francisco appointed a completely new Police Commission which in turn appointed a new Chief of Police. The new Chief replaced the entire command structure of the Department, including all Deputy Chiefs, a new Assistant Chief of Police and all District Captains in the City. Virtually all key administrative positions were changed as well. Following these significant personnel changes, the Department was then reorganized. Significant effort was therefore required to acquaint audit staff with the new personnel and new organization of the department.

In total, this report presents 11 findings which contain 47 recommendations. If fully implemented by the Department, these recommendations would result in $6.9 million in annual reduced costs and increased revenues for the City and County of San Francisco General Fund. In addition, many recommendations will produce improvements to operations and increased efficiencies that will result in quantifiable benefits with a value of $4.5 million annually. The total benefits to be realized through implementation of the recommendations presented in this report are therefore in excess of $11.4 million annually.

Methodology

This *Phase 1 Management Audit of the San Francisco Police Department* was performed in accordance with standards developed by the United States General Accounting Office, as published in *Government Auditing Standards, 1994 Revision* by the Comptroller General of the United States. Accordingly, this management audit included the following basic elements in its planning and implementation:

Entrance Conference: An entrance conference was conducted with the Chief of Police and with the command staff of the Police Department to discuss the management audit scope, procedures, and protocol.

Pre-Audit Survey: A pre-audit survey was conducted to familiarize the management audit staff with the operations of the Police Department, interview upper management, and collect basic documentation regarding Police Department operations. As a result of the work completed as part of this pre-audit survey, areas of Police Department operations requiring additional review and analysis were identified.

Field Work: Field work was conducted in the specific areas which we determined would be included in this Phase 1 study. Middle managers, supervisors, and line personnel were interviewed to obtain details regarding Police Department operations, and police officer scheduling and deployment. In order to complete the analysis contained in this report, we also conducted extensive sampling of Police Department payroll data and other records, developed and executed models to evaluate the effectiveness of alternative staffing and deployment strategies, and reviewed internal Department analysis related to overtime policies and use. Practices in other large police agencies throughout California were also reviewed regarding specific aspects of their operations. In addition, the Memorandum of Understanding (MOU) between the City and County and the Police Officers' Association was renegotiated during the period of this study. Accordingly, we analyzed the affect of the MOU on Police Department operations and costs.

Analysis and Preparation of Draft Report: At the conclusion of the field work phase of this study, detailed analysis of the collected information and the results of our models on police officer staffing and deployment was conducted. Based on this analysis, we prepared our findings, conclusions, recommendations, and estimates of costs and benefits from implementation of our recommendations. This analysis was incorporated into a draft management audit report, which was then provided to the Chief of Police for review.

Exit Conference and Preparation of the Final Report: An exit conference was held with the Chief of Police and other upper managers of the Police Department to review the details of the report, and to identify any areas of the report requiring clarification or correction. Based on this exit conference, necessary changes were made to the draft report and this final report was prepared and issued to the Board of Supervisors.

Current Organization and Operations of the Police Department

The SFPD receives the greatest amount of General Fund support of all City Departments, exceeding even the entire Department of Public Health, including San Francisco General Hospital and Laguna Honda Hospital, the largest single Department in City and County Government.

The SFPD is managed by a Chief of Police, who is appointed by the Mayor and reports to a Police Commission. The Mayor may recommend removal of the Chief of Police, subject to ratification within 30 days by the Police Commission. The annual budget for the Police Department is approved by the Mayor and the Board of Supervisors.

FY 1996-97 Authorized Staffing

In FY 1996-97, the Police Department is authorized a total of 2,550 permanent positions. Of these, 2,092 are sworn employees (uniform positions), and the remaining 458 positions are civilian employees (miscellaneous positions). In addition to these permanent positions, the Department has been authorized funding for overtime which the Budget Analyst estimates is equivalent to an additional 131 positions, based on the average cost for all authorized personnel in the Department. In total, therefore, the Department is funded at a full time equivalent (FTE) workforce of approximately 2,681 positions, net of salary savings.

The passage of Proposition D in June, 1994, mandated Uniform staffing of 1,972 *full duty officers* by the end of Fiscal Year 1994-95. In order to staff 1,972 full duty Police Officers, the Department must employ a greater number of personnel because a certain number of Police Officers are on permanent light duty, temporary light duty, temporary disability and other forms of leave that prevent them from working as full duty officers. Based on an analysis of historical trends, the Chief of Police has determined that, on average, approximately 45 Police Officers are assigned to permanent light duty, and approximately 65 Police Officers are on temporary light duty, temporary disability or other forms of leave, for a total of 110 Police Officers that could not reasonably be classified as capable of performing at a full duty level.

Based on these estimates, a policy decision was made by the Chief of Police that 2,082 total Police Officers (1,972 plus 110 to make up for the estimated number of officers that are unable to perform full duty) would be required to employ 1,972 *full duty officers* and meet the mandates of Proposition D. Since that policy decision was enacted in Fiscal Year 1995-96, ten additional sworn positions were added through grant funding, resulting in total authorized sworn positions that number 2,092. At the present time, the Deputy Chief for Administration is increasing the monitoring of disability claims and light duty assignments, while developing a new light duty policy. By reducing the number of additional sworn staff needed to comply with

Proposition D, and civilianizing positions where appropriate, the Department can save significant expenditures in future operations, while still improving the level of police services. This will be a continuing area of inquiry during Phase II of our management audit report.

The Department's permanent sworn positions include:

1	Chief of Police;
1	Assistant Chief;
3	Deputy Chiefs;
2	Commanders;
25	Captains;
86	Lieutenants;
516	Sergeants and Inspectors;
1,456	Police Officers;
1	Secretary to the Police Commission; and,
1	Criminologist.
2,092	Total Sworn Positions

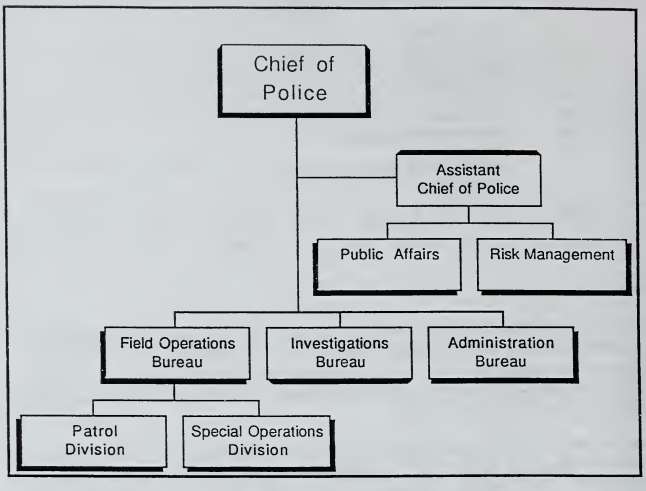
1996 Organization

The Chief of Police is assisted by the Assistant Chief, who has direct responsibility for Public Affairs and Risk Management Services, and supports the Chief of Police with the day-to-day management of the Department. The Department also has three Deputy Chiefs who manage the Field Operations Bureau (FOB), the Investigations Bureau, and the Administration Bureau.

FOB is divided into two divisions, including Special Operations and Patrol. These two divisions are managed by the two Commanders authorized for the Department. This management audit report focuses on the Patrol Division, reviewing the staffing and operations of the nine district stations and the Tenderloin Task Force (a total of ten district stations, for the purposes of this report). Each of the district stations is managed by a Captain. As of the writing of this report, the Police Department is organized in the manner shown below.

Exhibit 1

San Francisco Police Department
Organization - July 1996



FY 1996-97 Authorized Expenditure Appropriations

In FY 1996-97, the Police Department has been authorized total appropriations of nearly $206 million, which includes grant and special projects funding of approximately $2.8 million. General Fund appropriations are approximately $203 million. The total FY 1996-97 Department funding by appropriation category is displayed in the table below.

Table 1

Total Expenditure Appropriations
San Francisco Police Department - FY 1996-97

Appropriation Category	Amount	Percent
Salaries	$143,709,951	
Mandatory Fringe Benefits	22,900,621	
Subtotal Salaries and Fringe Benefits	**166,610,572**	**80.9%**
Non Personal Services	7,070,322	
Materials and Supplies	3,421,947	
Capital Outlay	5,972,360	
Services of Other Departments	17,614,322	
Subtotal Non Personal Services	**34,078,951**	**16.6%**
Annual Projects	750,250	
Work Orders	1,538,321	
Subtotal Annual Projects and Work Orders	**2,288,571**	**1.1%**
Total General Fund	*$202,978,094*	*98.6%*
Grants and Special Projects	2,840,709	1.4%
Grand Total Police Department Appropriations	***$205,818,803***	***100.0%***

Thus, approximately 81 percent of all Department appropriations are for salaries and benefits for employees (not including salaries and benefits which are reimbursed from grants, special funding sources, or through work orders).

In October 1996, the Board of Supervisors approved a Memorandum of Understanding (MOU) with the Police Officers' Association that increased the cost of uniform salaries and benefits by approximately $3.4 million in FY 1996-97. The $3.4 million cost was funded from a salary and benefits reserve and is included in Table 1 above.

In addition, salary increases of approximately 3.5 percent per year will be provided to sworn personnel during the term of the MOU, through FY 1998-99. In total, based on a Budget Analyst report prepared for the Board of Supervisors on October 8, 1996,

the additional cost related to the implementation of the new MOU will be at least $58.2 million through the five-year term of the agreement.

During public hearings before the Board of Supervisors Government Efficiency and Labor (GEL) Committee on the subject of the proposed MOU with the Police Officers Association, the Board was informed that discussions of management proposals, on both economic and non-economic matters, could occur at any time. Also, representatives of the Police Officers Association testified to the effect that they would be willing to enter into such negotiations. Many of the recommendations in this report relate to long standing practices or departmental general orders. In such cases, we of course acknowledge that such negotiations must take place and resolved satisfactorily in order to fully implement the recommendations.

Of the total $205,818,803 in annual expenditure appropriations which have been included in the Annual Appropriation Ordinance, approximately $5.1 million, or 2.5 percent of the total department budget, is offset by revenue received from grants ($2.8 million) and departmental revenue ($2.3 million) such as permits, fees, forfeitures, and the sale of property. The other $200.7 million in expenditure appropriations is financed by other City and County departments which purchase SFPD services ($27,437,321, or 13.3 percent), and from Unallocated General Fund revenue sources. The $173,323,661 in non departmental General Fund resources which are used for Police Department operations, finances 84.2 percent of total Department expenditure appropriations.

Comparing the SFPD with Other Police Agencies

As part of this study, we reviewed information compiled by the Federal Bureau of Justice Statistics which are published in *Law Enforcement Management and Administrative Statistics, 1993: Data for Individual State and Local Agencies with 100 or More Officers*. From this report, we compared San Francisco with statistics for 30 of the largest police departments in cities throughout the United States. Some of the more interesting comparative information is summarized below:

- San Francisco is one of 31 agencies throughout the United States which employs over 1,000 police officers. San Francisco compares favorably with these jurisdictions, employing an average of 25 police officers per 10,000 residents. The other 30 jurisdictions employee an average of 22 police officers per 10,000 residents.

- Similarly, San Francisco spends nearly twice as much per resident on law enforcement services than do the other large jurisdictions. San Francisco spent approximately $250 per resident in 1993, compared with an average of $134 per resident in the other jurisdictions.

- San Francisco employs a higher percentage of women and minorities than the other 30 largest jurisdictions, at 13 percent female (compared to eight percent for the other jurisdictions) and 33 percent minorities (compared to 18 percent in the other jurisdictions).

- San Francisco operates fewer police vehicles than do the other 30 jurisdictions, with approximately 25 total cars per 100 officers compared with 53 total cars per 100 officers in the other jurisdictions.

- San Francisco operates special units for all reported categories of youth and family problems. Many of the other 30 jurisdictions also operate such programs, as follows: child abuse (80%), domestic violence (53%), drug education in schools (95%), gangs (76%), juvenile delinquency (86%), and missing children (74%).

In other areas, including the use of civilian employees, San Francisco compared less favorably. This issue, and others, will be reviewed in depth as part of our Phase 2 Management Audit to be completed in the Spring.

Accomplishments of the San Francisco Police Department

As part of our pre-audit survey, we evaluated a wide range of activities throughout the Police Department to assess overall performance and to identify areas requiring further review. Based on our initial assessment, there are many areas where we believe the Police Department should be commended on its performance. In addition, the Mayor appointed a new Chief of Police in 1996 who has taken several positive steps toward improving the operations of the Department. Some of these are discussed below:

- The new Chief of Police has established overtime quotas for each of the Bureaus and divisions within the Department, which was one of our early recommendations communicated informally to the Department. We estimate that this policy change, if properly implemented by the Department, will reduce paid overtime by 43,564 hours per year for a total cost reduction of approximately $1.7 million per year.

- In spite of the many staffing issues contained in this report, we found that police officer response times to major crime reports are consistent throughout the City by location, time of day, and day of week. These response times are generally acceptable, and within our expectations for a jurisdiction with the characteristics and population of San Francisco.

- The new Chief of Police has consolidated the Investigations Bureau and the Special Investigations Bureau into a single, newly created Investigations Bureau. The consolidation of these two bureaus into one eliminated the need for one Deputy Chief position.

- The Department is in the process of purchasing and installing laptop computers in all patrol cars. This equipment enhancement will increase the efficiency of police officers on patrol duty, since they will no longer be required to return to the district stations to prepare and file incident reports.

- The Department is involved in a major effort to replace and renovate some of its older and less functional district stations to provide better working conditions for its employees, and a better environment for the public.

- The Department has taken rapid action to eliminate and correct deficiencies found during the management audit concerning purchasing and inventory management issues.

Acknowledgments

The Budget Analyst would like to acknowledge and thank the management and staff of the Police Department for their cooperation during the course of this management audit, including Chief of Police Fred Lau, Deputy Chief for Administration William Welch, Deputy Chief for Field Operations Richard Holder, Patrol Commander Joaquin Santos and Captain of Planning, and former Captain of the Potrero District, Tim Hettrich, and Sergeant David Herrera. We would also like to thank each of the district station captains for discussing district station operations and minimum staffing with our audit team, and for taking time to review draft analyses and staffing models developed by the Budget Analyst for this report.

For this Phase of the report, we owe particular thanks to Lieutenant Don Carlson and Mr. John Kaye, who assisted our staff with the analysis of special event coverage, overtime, police officer scheduling and many of the other police officer staffing issues contained in this report.

1. District Station Deployment

- Police Department command staff have not developed standards or an effective process for assigning police officers to each of the district stations. As a result, district station Captains have mixed success achieving the minimum staffing levels that they believe are appropriate for their districts. Further, workload disparities between district stations are significant, requiring officers in some areas of the City, such as the Potrero and Central Districts, to respond to twice the number of high priority calls per officer than do officers in other areas of the City.

- Police officer deployment practices at the district stations, the temporary reassignment of officers to other duties, and patterns of officer absenteeism are also problematic. Because of these and other factors, per officer workload is highest at the district stations during evening and weekend shifts when service demands are greatest. Additionally, because of seniority rights established in the labor contract with the Police Officers Association (POA), evening and weekend shifts are generally staffed with the least experienced officers.

- The Police Department should modify current officer deployment and shift assignment practices, and closely manage police officer sick leave use in order to achieve a more effective and balanced allocation of police officer resources. Allocating staff in a manner that corresponds more closely with crime activity would be equivalent to adding nearly 28 additional police officers during periods when police coverage is currently at its lowest, thereby producing a benefit $2.0 million per year.

As a part of the Budget Analyst's management audit of the San Francisco Police Department, we researched the deployment policies and practices of the Field Operations Bureau's ten[1] district stations. With over 1,200 personnel, the district stations are the units within the Department with the greatest and most consistent exposure to the general public.

[1] The Tenderloin Task Force, established in 1989, has never been formally designated as a District Station. However, in practice, this unit operates as a district and there are no plans to close the facility. Therefore, the Tenderloin Task Force has been counted, treated, and referred to as a district station throughout our report.

As part of this analysis, we examined: (1) whether the planned/budgeted staffing levels correlate to public demand for Police services, (2) the effect of deployment practices on police officer availability and service, and (3) whether allocation of staff complies with Board of Supervisors policies and budget decisions, and with the mandates of Proposition D.

To accomplish these study objectives, we analyzed:

- Randomly selected attendance records from each of the ten district stations for four pay periods, one from each quarter in Calendar Year (CY) 1995.
- Summary statistics from the Police Department Planning Division illustrating the number of calls for service by priority category, and by day of week and time of day for all district stations for CY 1995.
- A report from the Field Operations Bureau Headquarters (FOB) showing the hours worked and the overall cost of all special events in each of the districts for fiscal year (FY) 1994-95.
- Cost reports maintained by FOB to determine the breakdown of special events by day of week and time of day.
- Overtime summary reports generated by the SFPD Fiscal Division.
- Information gathered from interviews with district captains regarding the daily assignment of staff at each district and general deployment practices.

FOB Personnel Assignment Practices

Based on our analysis of this data, we found that staffing patterns at the district stations generally do not correspond to the overall and relative demand for service in each district. This staff versus demand imbalance between the district stations results, primarily, because the current deployment decisions made by FOB are not consistent with minimum staffing requirements determined to be appropriate by district Captains, and do not correlate with workload activity or demand for service.

Police Officer Deployment

Each district captain is responsible for deploying his/her assigned police officers on each shift at his/her district station. Therefore, as part of this study, we asked the Captains to define minimum staffing requirements for his/her station. We defined minimum staffing requirements for the Captains as being the minimum number of

"beat" officers that are required each day to provide adequate police services within the district.

Minimum staffing requirements were generally based on the Captain's knowledge of the district. Typical factors which were used by the Captains to determine minimum staffing included: (1) the demand for service in the district, as determined by complaint/crime and arrest patterns; (2) concerns expressed by the public; (3) characteristics of the district (e.g., geography, residential vs. commercial, etc.); and, (4) the availability of police officers, vehicles, and radios allocated to the district station by FOB command staff. Within each district, police officers may be assigned to patrol car beats (sector cars), foot beats, plainclothes units, school car units, bicycle beats, administrative posts, and certain special assignments under the direct supervision of the Captain (e.g., permit processing, subpoena service, station duty, vehicle management, etc.).

Based on our interviews with the district station Captains, and our analysis of staffing and deployment data compiled from Department records, we found that the district stations generally are unable to meet minimum staffing requirements or to provide consistent levels of law enforcement services within the City. Our conclusions are drawn from the following specific findings:

(1) The number of officers assigned to each district by the Field Operations Bureau are, in most cases, not sufficient to meet the minimum staffing requirements believed to be appropriate by the district Captains; and,

(2) The number of police officers assigned and available at each district station does not correlate with workload, resulting in significant workload disparities between districts.

Inability to Meet Minimum Staffing Requirements

Using the minimum staffing information which we developed based on interviews with the district Captains, and available scheduling and payroll records obtained from FOB administration, we were able to construct a model which compares the total number of hours worked per year by police officers at each district station to the number of hours per year that are required to provide minimum staffing. Based on this analysis, seven out of ten districts have not been assigned sufficient staff to meet the minimum staffing requirement defined by the Captains at those stations.

The table below shows the current assigned staff at each district, the estimated staff surplus or shortfall (based on the Captains' minimum staffing requirements, and assigned staffing adjusted by police officer attendance) and the total number of staff needed to meet each Captain's minimum staffing requirement.

Table 1.1

Actual Staffing Levels versus District Captains' Minimum Staffing Requirements by District
San Francisco Police Department - 1996

District	Current No. of Assigned Staff*	Estimated Staff Surplus/ (Shortfall)	No. of Staff Required to Meet Minimum Staff Requirements
Tenderloin	59	(40)	99
Southern	92	(29)	121
Mission	111	(25)	136
Richmond	62	(22)	84
Ingleside	89	(14)	103
Taraval	78	(8)	86
Potrero	83	(7)	90
Northern	107	0	107
Park	65	7	58
Central	95	18	77
Total	841	(120)	961

* As of February, 1996 (excludes 190 police officers who completed field training in mid-1996).

As shown in the table above, the district stations had a staffing shortfall of approximately 120 police officers in February, 1996 (excluding 190 police officers who completed field training in mid-1996). However, on an individual district station basis, staffing ranged from a shortfall of 40 positions for the Tenderloin Task Force to a surplus of 18 positions at Central Station.

The results of the analysis displayed in Table 1.1, and an examination of the minimum staffing requirements defined by the Captains, suggests that this methodology does not result in the most effective use of sworn personnel. For example, the Mission District appropriately has the highest total staffing based on the Captain's minimum staffing requirements at that station, the relatively high number of calls for service activity and rate of serious crime in the District, and a relatively large number of special events each year. Similarly, it is reasonable that the Park District would have the lowest staffing level since the Park District has a lower level of crime and special event activity than do other districts.

However, it is uncertain why the Richmond District--which has the lowest crime rate, calls for service and special event activity in the City--would require nine more staff than the Central District, which has a higher demand for service. Further, it is not reasonable that the Richmond District has only six fewer staff than the Potrero District, which has one of the highest levels of calls for service and crime activity in the City.

Staffing and Calls for Service

As part of this study, we compared actual staffing, adjusted for attendance, to the number of Priority A and Priority B calls for service (high priority calls) by district. Using this analysis, we then developed a statistic showing the number of calls for service per beat assignment, per day for each district as a basic measurement of staffing compared with workload. The results of this analysis are displayed in the table, below.

Table 1.2

Analysis of Calls for Service and Actual Staffing by District
San Francisco Police Department - 1995 /96

District	Number of Priority A & B Calls for Service Per Day	Reported Minimum Number of Patrol Beats Per Day	Number of Calls Per Beat
Potrero	67	35	1.9
Central	55	31	1.8
Northern	81	50	1.6
Taraval	53	34	1.6
Park	38	25	1.5
Mission	84	59	1.4
Ingleside	58	44	1.3
Southern	63	51	1.2
Richmond	40	35	1.1
Tenderloin	33	43	0.8

As illustrated, there is an apparent workload disparity between the districts when comparing minimum staffing to high priority calls for service. For example, under the minimum staffing requirements established by the Captain for the Potrero District, a police officer would respond to an average of 1.9 Priority A and Priority B calls per shift. At the other extreme, a police officer assigned to the Tenderloin Task

Force would need to respond to an average of 0.8 calls per shift. In this example, police officers assigned to the Potrero District Station would respond to twice the number of high priority calls per officer than would those officers assigned to the Tenderloin Task Force.

In part, these disparities can be explained by other factors that affect police activity in each district. Such factors include district geography and crime activity patterns, the frequency of special events and related officer staffing requirements, and characteristics of the calls for service. However, the analysis displayed in Table 1.2 does not appear to be heavily affected by these factors.

For example, the Richmond District (which has relatively lower calls for service activity, fewer special events and lower crime rates than do most of the other districts) has a calls per beat ratio of only 1.1. On the other hand, the Potrero District (which has the third highest number of Priority A and Priority B calls) has the highest calls per beat ratio in the City. Although we believe workload disparities between districts can partially be explained by the types of activities that occur and the characteristics of each district, the workload disparities shown in Table 1.2 seem to follow an inconsistent pattern that conflicts with what one would expect if these factors were significantly influencing deployment decisions.

Although the current minimum staffing requirements established by district Captains reflect, to some extent, the relative demand for service among the districts, there are many inconsistencies which could not be satisfactorily explained by the Police Department during the course of this review. We believe these inconsistencies occur because minimum staffing requirements are established independently by district captains with little understanding of the overall priorities and needs for police services on a City-wide basis.

It is clear that the number of staff assigned by central command (FOB) to district stations does not correspond to the minimum staffing requirements determined by the district captains. However, we were unable to identify any formalized standards or criteria which are used by FOB administration for allocating police officers to the district stations. Instead, discussions with Police Department management staff indicate that staff allocation decisions are more commonly a product of negotiation between central administration and line managers within the Department. We believe that staff allocation decisions can be improved if the Police Department establishes standards and an effective, centralized process for allocating police officers to district stations.

Utilization of Police Officers by District Captains

Once police officer staffing has been allocated to the district stations, the assigned Captain appropriately makes decisions regarding the deployment of that staff. As part of this analysis, we examined shift scheduling practices and police officer attendance, and compared the results with calls for service activity by location.

Shift Scheduling

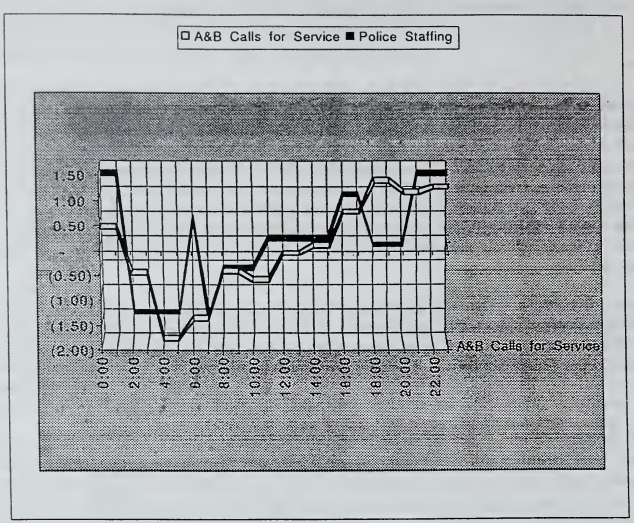
Each district has an average of five shifts per day. Although shift start times vary from district to district, each district has two to three shift start times in the morning (usually at 6 AM, 7 or 8 AM and 10 or 11 AM), one or two shift start times in the afternoon (at 1 or 2 PM and/or 4 PM) and one shift start time in the evening (usually at 8:30 PM or 9 PM). Because each shift lasts ten hours, there are anywhere from 16 to 36 hours of overlapping shifts per day (e.g., two shifts which overlap each other for two hours would represent four hours of overlapping shifts). Accordingly, there is a significant amount of shift overlap time built into police officer schedules at the district stations.

The benefits of shift overlap are that (a) it allows the Police Department to provide more police staffing during hours of higher public demand for service, and (b) incoming police officers can take new calls for service, allowing the outgoing police officers time to complete police reports and other administrative duties.

However, in our analysis of start times and shift overlap periods at the district stations, we found that shift overlap periods did not always follow the same pattern as calls for service activity. For example, at eight of the ten district stations, we found that the number of scheduled shifts declined during afternoon and early evening hours (between 4 PM and 8 PM), which is the time of day when calls for service activity tends to increase. This shift pattern occurs primarily because many of the districts have several day shifts, but only one swing shift and one night shift. For example, the day watch officers who finish their shifts at 4 PM, 6 PM and 9 PM are usually replaced by only one shift which starts at 4 PM. The night shift does not usually start until 9 PM, when all the day watch officers have already finished their shifts. This is illustrated by Exhibit 1.1, which shows the pattern of shift overlap times and calls for service activity over the time of day for the Central District.

Exhibit 1.1

San Francisco Police Department
Calls for Service Activity and Shift Scheduling by Hour
Central District - 1995 - 96



Rotating Days Off on a Weekly Basis

A "watch-off group" is a group of police officers who are assigned the same scheduled work days and days off from work. For example, one watch-off group may work Sunday through Wednesday and have Thursday through Saturday off, while a second watch off group would work Monday through Thursday and have Friday through Sunday off during that same week. During each of the following six weeks, each watch-off group rotates its work days and days off by one day per week. Depending on the number of watch-off groups at each district and the number of

police officers allocated to each watch-off group, there can be wide fluctuations in the number of officers scheduled to work on the same day from week to week. Each district has up to seven watch-off groups per watch, with a varying number of officers in each watch-off group.

We found that there were often wide fluctuations in the number of scheduled shifts on any given day from one week to the next. For example, there were 58 officers scheduled to work on one Monday in June, 1995 at Southern District. However, on the following Monday, there were 79 officers scheduled to work, an increase of 21 officers (36 percent). Similarly, we found that while 60 officers were scheduled to work on one Sunday in April, 1995 at Ingleside District, there were only 44 officers scheduled to work on the following Sunday, a decrease of 16 officers (27 percent). On average, the ten districts showed a variance of plus or minus 3.4 percent (about three shifts) from a given day during one week to the same day in the following week.

We also found that Saturdays and Sundays, which were usually the days with the highest demand for service, were almost always the days with the lowest number of scheduled shifts, whereas the highest number of scheduled shifts usually occurred on weekdays. This may occur because district Captains assign a different number of police staff to each watch-off group, and because the Department's automated scheduling system is programmed to assign a higher number of watch-off groups on weekend days than on weekdays.

Therefore, rotating watch-off groups on a weekly basis inhibits the districts' ability to allocate a larger proportion of available police staff to the days of the week that are consistently the busiest.

Assigning On-duty Police Officers to Special Events or to Other Units

Using data on special events obtained from the Field Operations Bureau, we calculated the number of shifts that were required to police special events in each district in order to measure the staffing demand that special events place on each. Based on this analysis, at five out of ten stations, the two days of the week with the highest percentage of staff required for special events were Saturday and Sunday. At nine districts, Sunday was one of the two days of the week with the highest percentage of shifts required for special events. At three stations -- Central, Northern and Southern -- the amount of on-duty staff time required for special event coverage is very high on the weekends. On-duty special event staffing requirements were on average 120 percent higher on weekends than on weekdays for all the districts, as shown in Table 1.3 on the next page.

In addition, we also found that Saturday was the one of the two days of the week with the highest percentage of officers working another assignment at eight out of ten stations. At seven out of ten stations, Friday was the day with the highest percentage of officers working another assignment.

Table 1.3

Average Number of On-Duty Staff Hours Needed per Day for Special Event Coverage on Weekends vs. Weekdays
San Francisco Police Department - 1995

District	Weekdays	Weekends	Variance	Percentage Increase
Central	9.1	15.6	+6.5	+71.4%
Southern	18.7	20.4	+1.7	+9.1%
Potrero	1.6	3.7	+2.7	+131.3%
Mission	5.5	6.1	+0.6	+10.9%
Northern	8.5	22.0	+13.5	+158.8%
Park	0.9	5.3	+4.4	+488.9%
Richmond	1.8	2.1	+0.3	+16.7%
Ingleside	1.8	5.2	+3.4	+188.9%
Taraval	1.7	2.7	+1.0	+58.8%
Tenderloin	2.5	4.1	+1.6	+64.0%

As noted earlier, the highest demand for police services occurs on weekends. However, the practices of using on-duty police officers from the districts to provide special event coverage and of assigning on-duty officers to other units within the Department results in the fewest number of police officers being assigned and available to perform regular police duties (such as responding to calls for service) during periods of highest demand.

Police Officer Attendance

Based on our attendance data, we found that at seven out of ten stations, the two days of the week with the highest percentage of staff taking sick and other unanticipated leave days were Saturday and Sunday. At all stations, Saturday was one of the two days of the week with the highest percentage of sick and other unanticipated leave days.

This high rate of sick leave combined with the previously-cited high number of assignments to other units on Saturday and Sunday contribute to a large staff versus demand imbalance on the weekends. This is particularly true for Saturdays. Including both sick days and reassignment days, Saturday consistently has the highest percentage of officers absent from their regular duty in nine out of ten stations. The rate of such absences ranges from 15 percent in Northern Station up to 28 percent in Tenderloin Station.

General Results

The deployment practices, shift assignment practices and level of police officer absenteeism described in the paragraphs above resulted in a disparity between staffing levels and demand for service, by day of week and time of day at the district stations. Although there were some specific variations by station, the following are the general results of our analysis. Details of the analysis performed for each district station have been provided to the Police Department and are available for review upon request.

- *Because of shift assignment practices and police officer attendance, the number of calls for service per police officer is on average 34 percent greater on the day with the highest calls for service activity (always Saturday or Sunday) than on the day with lowest calls for service activity (usually Wednesday).*

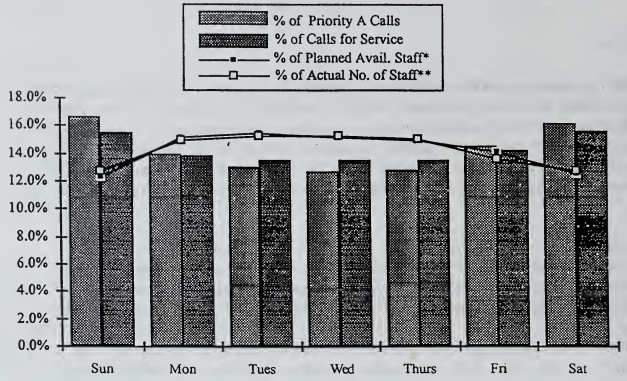
- *The number of Priority A calls for service per police officer is on average 46.5 percent greater on the day with the highest number of Priority A calls (always Saturday or Sunday) than on the day with the lowest number of Priority A calls (usually Wednesday).*

  Ideally, variations in Police staffing should correlate with the variation in demand for Police services. In our review of district staffing compared to demand for Police services as measured by calls for service, we found a reverse correlation. That is, calls for service activity was highest on Saturdays and Sundays and lowest during midweek, while staffing levels at each district were typically lowest on weekends and highest during midweek. For example, we found that the number of officers not working their regular shift due to sickness or reassignment to another unit was higher during weekend shifts. As a result, the number of calls for service per officer is almost always higher on weekends than on weekdays.

  Exhibit 1.2 below shows calls for service and staffing by day of week for the Mission District, which is representative of the general results of our analysis of staffing and calls for service activity for all ten districts.

Exhibit 1.2

San Francisco Police Department
Calls for Service Activity and Staffing by Day of Week
Mission District 1995 - 96



* Planned available staff is defined as the number of officers who were scheduled to work, less those who were unavailable due to vacation, compensatory time off, holidays, disability leave, military leave, personal leave and/or other types of anticipated leave. The number of officers assigned to the Captain's Staff (non-patrol shifts) was then deducted from this figure in order to arrive at the number of planned available patrol staff.

** The actual number of staff is defined as the number of officers who worked their regular assignment. Actual staffing was derived by deducting from the number of planned available staff (defined above) the number of officers unavailable to work due to (a) illness or other type of unanticipated leave, (b) assignment to another unit, such as narcotics or vice, (c) assignment to training, (d) on-duty court time and/or (e) on-duty special event time.

Exhibit 1.3 demonstrates the effect that unanticipated absences, assignments to training or to other units, on-duty court appearances and special events have on the number of calls for service per officer.

Exhibit 1.3

San Francisco Police Department
Calls for Service per Planned and Actual Staff by Day of Week
Mission District - 1995 - 96

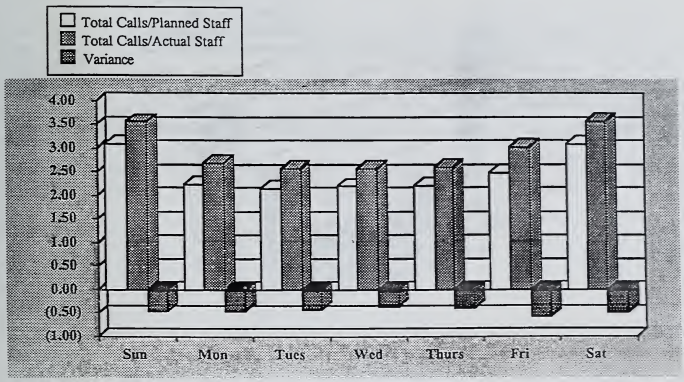
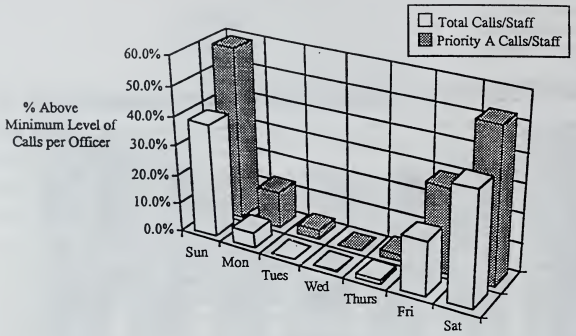


Exhibit 1.4 below shows a percentage comparison of calls for service per staff by day of week for the Mission District.

Exhibit 1.4

San Francisco Police Department
Comparison of Calls for Service per Staff by Day of Week
Mission District - 1995 - 96



- *Although the district stations do a relatively better job of scheduling officers by time of day than by day of week, the number of calls for service per officer is on average 120 percent greater during the two-hour period with the highest number of calls for service per officer (usually between 6 PM and 8 PM) than during the two-hour period with the lowest number of calls for service per officer (between 4 AM and 6 AM or between 6 AM and 8 AM).*

- *The number of Priority A calls for service per officer is on average 270 percent greater during the two-hour period with the highest number of Priority A calls per officer (between 2 AM and 4 AM or between 6 PM and 8 PM) than during the two-hour period with the lowest number of Priority A calls per officer (usually between 6 AM and 8 AM).*

Overall, the districts do a relatively better job of scheduling staff by time of day than by day of week. For example, in general, more officers work during evening and nighttime hours, when demand is highest, than during the day. However, we still found that a relatively high percentage of officers worked during the day considering the lower calls for service activity. Similarly, a relatively low

number of officers worked during the swing shift (usually 4 PM to 2 AM) in comparison to the percentage of calls for service which occur during those hours. Additionally, we found that the periods of highest demand for each district (usually between 6 PM and 12 AM and lowest demand (between 4 AM and 8 AM) did not always correspond to the periods of highest and lowest staffing levels at each district. As a result, the number of calls for service per officer is almost always higher during evening and nighttime hours than during morning and daytime hours.

Additionally, it should be noted that, because shift assignments are determined on a seniority basis, the officers with the most years of experience have the first opportunity to sign-up for the shift start times that are usually the most preferred—that is—daytime shifts. As a result, those officers with the least amount of seniority usually are assigned to the swing or night-time shifts, which are also the periods with the highest calls for service activity.

Exhibit 1.5 below shows calls for service and staffing by two-hour interval for the Ingleside District.

Exhibit 1.5

San Francisco Police Department
Calls for Service and Staffing by Time of Day
Ingleside District - 1995 - 96

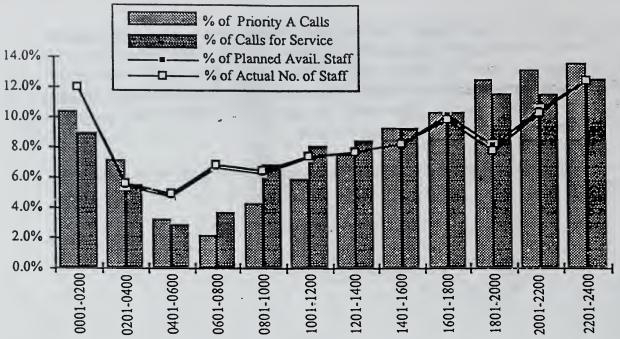


Exhibit 1.6 demonstrates the effect that unanticipated absences, assignments to training or to other units, on-duty court appearances and special events have on the number of calls for service per officer.

Exhibit 1.6

San Francisco Police Department
Calls for Service per Planned and Actual Staff by Time of Day
Ingleside District - 1995 - 96

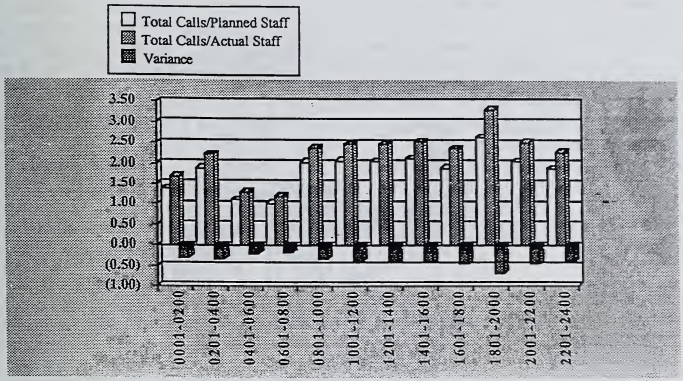
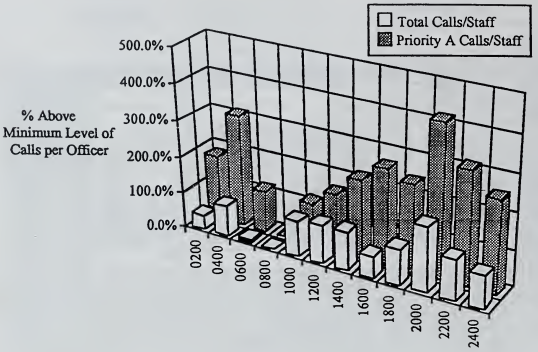


Exhibit 1.7 shows a percentage comparison of calls for service per staff by two-hour interval for the Ingleside District.

Exhibit 1.7

San Francisco Police Department
Comparison of Calls for Service per Staff by Time of Day
Ingleside District - 1995 - 96



Opportunities for Improving Police Coverage

In the subsections above, we have outlined our general findings regarding staff deployment, shift scheduling, and police officer attendance at the district stations. Described below are methods by which we believe police coverage at the district stations could be improved. These include (a) shifting the responsibility of determining the minimum staffing requirements for each district from the district Captains to the Field Operations Bureau, and establishing formalized staffing criteria, standards and performance measures for each district; (b) creating a Special Event Unit under Field Operations Headquarters and evaluating the assignment of on-duty district officers to other units on weekends; (c) adjusting shift start times and/or adding new shifts in order to more effectively schedule shift overlap time during periods of peak demand for service; (d) instituting a new rotating days off scheduling system; and (e) monitoring sick leave usage on weekends more closely.

Shifting the Responsibility of Establishing Minimum Staffing Requirements for Each District from District Captains to the Field Operations Bureau

As previously noted, we found that (a) the minimum staffing requirements defined by the individual district Captains resulted in an inconsistent pattern of workload disparities among the districts, based on the relative demand for service in each district; and, (b) the number of officers assigned to each district by the Field Operations Bureau were in most cases insufficient to meet the minimum staffing requirements established by the district Captains. Furthermore, if officers were assigned to district stations on the basis of the minimum staffing requirements established by the district Captains, the result would be staffing levels at each district that do not coincide with the relative demand for service among district stations.

These inconsistencies exist in part because minimum staffing requirements are established independently by district captains with little consideration to the overall priorities and needs for police services on a City-wide basis. As such, central management (Field Operations Bureau) should be responsible for establishing criteria and standards upon which the minimum staffing requirements at each district station can be determined. Staff deployment decisions should be made with input from each district captain, and with greater consideration to the relative demand for service between districts, the overall priorities of the City, and available resources.

In addition, officers should be assigned to the districts based on these minimum staffing requirements. The Field Operations Bureau should develop objectives and performance measures for each of the district stations as a means of evaluating whether the minimum staffing requirements developed for a particular station are effective in meeting the Department's overall objectives, and what adjustments, if any, may be necessary. However, the district captains should still be given the flexibility to assign staff based on his or her own best judgment. In this manner, the concept of community policing can be maintained (i.e., retaining a high degree of station control over operations) while more equitably allocating staff on a City-wide basis.

As an example, FOB may determine that the reduction of burglary rates in the commercial sector of the Potrero District is one of its priorities over the next six months. As such, FOB might establish a minimum staffing requirement of two patrol cars in that sector every night of the week and assign sufficient staff to the Potrero District in order to meet this minimum staffing requirement. However, the district captain at Potrero would maintain the flexibility of deploying the staff assigned to his or her district in the manner he or she saw fit, while keeping FOB's priorities in mind.

After reviewing burglary rates in the commercial sector of the Potrero District at the end of the six-month period, FOB could determine whether or not its objective was met, and, if so, how staff were deployed by the district captain in order to meet that

objective. If the captain were able to meet FOB's objective by deploying staff in a manner different from that prescribed by FOB's minimum staffing requirements, or if deploying staff based on FOB's minimum staffing requirements did not result in a reduction in the burglary rate, this would indicate that some adjustments to FOB's minimum staffing requirements for that district could be necessary.

Creating a Special Event Unit within FOB and Evaluating the Assignment of Officers to Other Units on Weekends

As described earlier, at five out of ten stations, the two days of the week with the highest percentage of staff required for special events were Saturday and Sunday. In addition, we also found that Friday and Saturday were the two days of the week with the highest percentage of officers working another assignment at the majority of the stations.

The practices of using on-duty police officers from the districts to provide special event coverage and of assigning on-duty officers to other units within the Department results in the fewest number of police officers being assigned and available to perform regular police duties, such as responding to calls for service, during the periods of highest demand.

The SFPD should consider creating an on-duty unit of officers under Field Operations Bureau Headquarters which would be scheduled to be available for special event coverage during the periods when special events add significantly to the districts' workload. Such a unit would allow district captains to project more accurately the number of staff they will have available to respond to calls for service during busy weekend periods and would reduce the number of officers who are taken away from regular police duties because of special events. In addition, such a unit would make it possible for the SFPD to reduce the hours of overtime which are caused by special events. Further discussion of this problem and a more specific recommendation can be found in Section 4.1 of this report.

Additionally, the SFPD should review the practice of assigning officers to other units during periods of heavy demand, such as weekend days, to determine whether the need for additional personnel in such other units justifies the impact on the capabilities of the district stations.

Adjusting Shift Start Times and/or Adding New Shifts

In our analysis of start times and shift overlap periods at the district stations, we found that shift overlap periods usually followed the same pattern as calls for service activity--there were some inconsistencies. For example, as previously noted, at eight of the ten district stations, we found that the number of scheduled shifts declined during afternoon and early evening hours (between 4 PM and 8 PM), which is the time of day when calls for service activity tends to increase and peak.

The SFPD should adjust shift start times at the district stations so that patterns in shift overlap time better coincide with patterns in demand for service over the time of day. For example, some districts should consider having fewer day shifts and more swing shifts in order to improve police coverage during late afternoon and early evening hours. Alternatively, some districts should consider moving some of the day shift start times a few hours back so that there is more shift overlap time during the periods of high demand for service.

Instituting a New Rotating Days Off Scheduling System

The SFPD should consider ending the practice of rotating days off on a weekly basis, which reduces the districts' control over scheduling a larger proportion of staff on the busiest days, and replacing it with a system that rotates days off by some other time period, such as every two months.

The Department had previously attempted to switch to a fixed days off system. However, the SFPD reportedly returned to the present rotating days off system because there were numerous complaints from the spouses and families of police officers who were always scheduled to work on weekends. One way of avoiding this problem is to set up a system under which days off are fixed for a limited duration, and then rotated after a period of two months. Under this system, each district could have only three watch-off groups for each watch (versus the current maximum of seven groups per watch), under which two groups would work weekend days and have weekdays off, and one group would work weekdays and have weekends off. Each watch-off group would consist of the same number of police officers, so that, during any given week, there would always be twice as many officers assigned to work on weekend days as on weekdays. After two months, the three groups could switch days off so that a second group would have consecutive weekends off and the remaining two groups would work on weekends. After another two months, the groups would rotate again. As such, each group would have consecutive weekends off for a period of two months during each six-month shift sign-up period and would have weekends off for four months out of the year.

Under this system, officers would still be guaranteed a certain number of weekend days off per year. Moreover, under this system, the districts could more easily and more consistently schedule a larger proportion of their staff to Saturdays and Sundays, the days with the highest demand for service.

Monitoring Sick Leave Usage on Weekends

In most stations, sick leave usage is highest on weekend days, when stations are the busiest. Our data point to a need for the SFPD to monitor and review sick leave usage on weekend days and to work with personnel to bring down the rates of usage so that the number of officers taking sick days does not lead to staff shortages on weekend shifts.

We estimate that allocating staff in a manner that corresponds more closely with crime activity would be equivalent to adding nearly 28 additional police officers costing $2.0 million per year during periods when police coverage is currently at its lowest.

Conclusions

Police Department command staff have not developed standards or an effective process for assigning police officers to each of the district stations. As a result, district station Captains have mixed success achieving the minimum staffing levels that they believe are appropriate for their districts. Further, workload disparities between district stations are significant, requiring officers in some areas of the City to respond to twice the number of high priority calls per officer than do officers in other areas of the City.

Police officer deployment practices at the district stations, the temporary reassignment of officers to other duties, and patterns of officer absenteeism are also problematic. Because of these and other factors, per officer workload is highest at the district stations during evening and weekend shifts when service demands are greatest. Additionally, because of seniority rights established in the labor contract with the Police Officers Association (POA), evening and weekend shifts are generally staffed with the least experienced officers.

The Police Department should modify current officer deployment and shift assignment practices, and closely manage police officer sick leave use, in order to achieve a more effective and balanced allocation of police officer resources. Allocating staff in a manner that corresponds more closely with crime activity would be equivalent to adding nearly 28 additional police officers costing $2.0 million per year during periods when police coverage is currently at its lowest.

Recommendations

The Deputy Chief of Field Operations should:

1.1 Establish formalized standards and criteria for assigning sworn staff to district stations.

1.2 Based on the formalized standards and criteria for assigning sworn staff, establish minimum staffing requirements for each district station. The minimum staffing requirements should be determined after input from the district captains, but be based primarily on the overall priorities of the Police Department, the relative demand for service by district, and resources available to the Police Department.

1.3 Assign sworn employees to each district on the basis of these minimum staffing requirements.

1.4 Develop objectives and performance measures for each of the district stations as a means of evaluating whether the minimum staffing requirements developed for each station are effective in meeting the Department's overall goals, and as a means for determining whether adjustments to staffing may be necessary.

1.5 Create a unit of officers under Field Operations Bureau Headquarters which would be scheduled to be available for special event coverage during the periods when special events add significantly to district station workload.

1.6 Review the practice of assigning officers to other units during periods of heavy demand, such as weekend days, to determine whether the need for additional personnel in these other units justifies the impact on staff availability of the district stations.

1.7 End the practice of rotating days off on a weekly basis and replace it with a system that rotates days off by some other time period, such as every two months.

1.8 Monitor and review sick leave usage on weekend days and work with personnel to bring down the rates of usage.

The District Captains should:

1.9 Deploy staff at their districts based on the minimum staffing requirements established by the Deputy Chief of Field Operations, and based on their best judgment, in order to meet the Police Department's overall objectives.

1.10 Adjust day shift start times or add additional shifts during afternoon and evening hours so that patterns in shift overlap time better coincide with patterns in demand for service by time of day.

Costs and Benefits

There would be no additional costs to implement these recommendations.

Implementation of these recommendations would result in a more efficient and effective deployment of officers at the district stations, in a manner that is consistent with overall Departmental policies, and would improve police coverage during periods of peak demand. Allocating staff in a manner that corresponds more closely with crime activity would be equivalent to adding nearly 28 additional police officers during periods when police coverage is currently at its lowest, thereby producing a benefit of $2.0 million per year .

2. Police Officer Scheduling

- **The current 4/10 scheduling practice (four, ten-hour shifts per week) at the district stations results in less police coverage than would be provided under a 5/8 scheduling system (five, eight-hour shifts per week). Under a 5/8 system, such as the schedule employed by the City of Los Angeles Police Department in two of three Police Districts, the Police Department could improve service levels that would otherwise require an estimated 40 additional sworn officers, at an estimated benefit of $2,414,670 per year.**

- **Staffing inefficiencies occur because 4/10 scheduling reduces backfill coverage for certain types of absences, such as holidays and training. In addition, 4/10 scheduling results in an average of 30.9 fewer officers scheduled to work per shift compared to the 5/8 scheduling system. Lastly, 4/10 scheduling results in increased court and special event overtime expenditures of an estimated $840,494 per year.**

- **Police Department management should meet and confer with the Police Officers Association to convert to a 5/8 scheduling system, and/or to implement potential improvements to the existing 4/10 system.**

The SFPD's current practice of scheduling district station police officers for four ten-hour shifts each week (4/10 scheduling system) impacts staff availability and productivity and increases costs. Under a five-day, eight-hour shift scheduling system (5/8 scheduling), the district stations could provide significantly more police coverage (defined as the number of hours or shifts actually worked by sworn employees during a given time period) with the same number of employees, and could achieve higher staff productivity.

Additionally, 4/10 scheduling results in higher than necessary overtime expenditures for special events and court appearances. Under a 4/10 system, officers are more likely to incur overtime expenditures than under a 5/8 system, since there is a greater likelihood that officers will be called in for special event duty or for court appearances on their regularly scheduled days off.

Based on a survey of the ten largest police departments in California, we found that, although most other jurisdictions operate on a 4/10 scheduling system, the largest police agency – the Los Angeles Police Department still operates–for the most part– on a 5/8 scheduling system.[1]

The Impact of 4/10 Scheduling on Staff Availability

The implementation of 5/8 scheduling at the district stations would allow the Police Department to provide the equivalent of 40 additional sworn employees at no additional cost to the City. The cost of 40 additional police officers is approximately $2,414,670 per year.

One reason for the increased efficiency under a 5/8 system is that certain types of absences (such as holidays and training sessions) would result in less time taken away from regular police duties than occurs with a 4/10 system. For example, when an officer takes a day off, he or she reduces the total hours worked during that week by ten hours under a 4/10 scheduling system, but by only eight hours under a 5/8 scheduling system.

In order to determine how much additional police coverage the SFPD could attain by implementing 5/8 scheduling, we compared the coverage currently provided under the 4/10 system to the potential coverage that could be provided under a 5/8 system. In order to determine the amount of police coverage that is currently provided, we collected attendance records from each of the ten districts for four pay periods, one from each quarter in CY 1995.

Because records of sufficient detail were not available for the period prior to the conversion to 4/10 scheduling in 1988, we had to simulate 5/8 schedules for each of the ten district stations. To do so, we assigned the same officers who worked a 4/10 schedule during the period of our database to a 5/8 schedule. In doing so, we had to make certain assumptions regarding how officers use different types of leave (i.e. vacation, sick leave, disability leave, etc.) and how training and assignments to other units would be used under a 5/8 scheduling system. We made the following assumptions:

[1] The Los Angeles Police Department is currently utilizing a 3/12 scheduling system (three, 12 hours shifts per week) in one of its districts as part of an experimental effort, but utilizes the 5/8 scheduling system in the rest of the Department.

- For absences of four or more consecutive days under a 4/10 system (totaling 40 hours or more), we assumed that the officer would take the same number of hours of leave under a 5/8 system. Thus, for example, if an officer took two weeks of vacation leave under the 4/10 system (equivalent to 80 hours or eight ten-hour shifts missed), we assumed that under a 5/8 system, that officer would take the same number of hours off (80 hours or ten eight-hour shifts) in order to have the full two weeks off from work.

- For non-consecutive absences or absences of less than four consecutive days under the 4/10 system, we assumed that the officer would take the same number of shifts off under a 5/8 system, but that each shift missed would result in a loss of eight hours versus ten hours. Thus, for example, if an officer took a sick day under the 4/10 system (equivalent to ten hours or one ten-hour shift missed), we assumed that, under the 5/8 system, that officer would take the same day off (eight hours or one eight-hour shift missed), but would miss eight hours of work rather than ten hours. Similarly, we assumed that if an officer took two floating holidays (equivalent to 20 hours or two ten-hour shifts missed) right before his or her regularly scheduled days off under the 4/10 system in order to have an extended weekend, we assumed that the officer would take the same number of shifts off (equivalent to 16 hours or two eight-hours shifts missed) right before his or her regularly scheduled days off under a 5/8 system, but would miss 16 hours instead of 20 hours of work.

- For assignments to other units and work days missed due to training under the 4/10 system, we again assumed that the officer would miss the same number of shifts under a 5/8 system, but that each shift missed would result in a loss of eight hours versus ten hours. Thus, for example, if an officer missed five consecutive days of work due to training under the 4/10 system (equivalent to 50 hours or five ten-hour shifts), we assumed that, under a 5/8 system, that officer would miss the same number of shifts, but would miss 40 hours of work (five eight-hour shifts) instead of 50 hours.

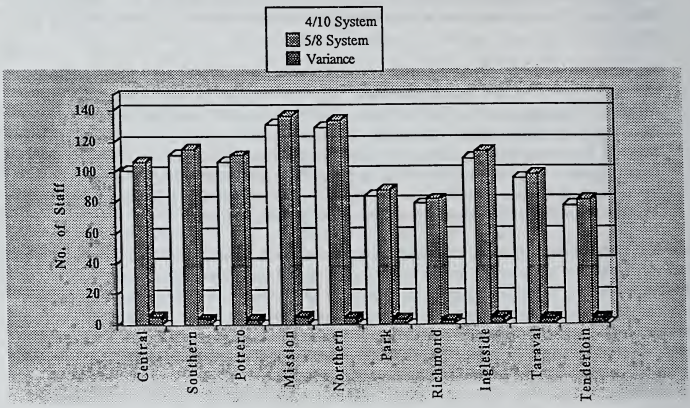
Based on these assumptions, we then designated each absence in our database as either an absence of four or more consecutive days, an absence of less than four consecutive days, or as training or assignment to another unit. We then calculated the total number of each type of absence at each district over the period of our database. We then computed the number of hours and shifts actually worked under the 4/10 system and compared them to the number of hours and shifts that would be worked under a 5/8 system on an annualized basis.

Based on these calculations, we found that police officers at the ten districts would have worked an additional 52,866 hours per year (a 3.8 percent increase) under a 5/8 system. Sergeants would have worked an additional 9,801 hours per year (a 4.3 percent increase) and lieutenants would have worked an additional 3,067 hours per year (a 4.9 percent increase) under a 5/8 system. Thus, based on the average number of hours worked per year for each rank, we calculated that the Police Department must hire an additional 32 police officers, six sergeants and two lieutenants under a 4/10 system, at an estimated cost of $2,414,670 per year, in order to provide the same number of hours of service that could be provided under a 5/8 system.

Exhibit 2.1 provides a visual illustration of the results of our analysis for each of the district stations. As stated previously, converting to a 5/8 system at the district stations would result in an increase in the level of police coverage without employing additional police officers.

Exhibit 2.1

Staffing Levels Under a 4/10 Scheduling System Compared to a 5/8 Scheduling System
SFPD District Stations, 1995



In addition, our comparison of the existing 4/10 system to a 5/8 system demonstrates that there would be an increase in the number of actual shifts worked each year by sworn employees at the district stations. In fact, police officers, sergeants and lieutenants would work an additional 47,924 shifts per year under a 5/8 system (a 29 percent increase). The Police Department must employ an additional 244 police officers, 40 sergeants and 11 lieutenants on a 4/10 system, or a total of 295 sworn employees at an annual cost of $17,669,270, in order to provide the same number of police shifts that could be provided under a 5/8 system.

The Impact of 4/10 Scheduling on Staff Productivity

By reducing police shifts from ten hours to eight hours, the average number of scheduled officers per shift would also be increased by 25 percent, from the current average of 12.3 officers per shift to 15.4 officers per shift.

Table 2.1 below shows comparative staffing and officer productivity that result under the current 4/10 system and under a simulated 5/8 system at each district station.

Table 2.1

Average Number of Police Officers per Shift
San Francisco Police Department District Stations

District	Existing 4/10 System	Simulated 5/8 System	Variance
Central	14.1	17.6	3.5
Southern	13.4	16.7	3.3
Potrero	11.7	14.6	2.9
Mission	16.7	20.9	4.2
Northern	14.7	18.4	3.7
Park	9.8	12.3	2.5
Richmond	9.8	12.3	2.5
Ingleside	12.5	15.6	3.1
Taraval	11.4	14.3	2.9
Tenderloin	9.4	11.7	2.3
Total	123.5	154.4	30.9

Additional officer staff coverage of an average of 30.9 officers per shift would result from eight-hour shifts, with a value of approximately $1,770,663 per year.

Although working one less shift per week may be more desirable for the individual officer, the marginal productivity of an officer who has already worked eight hours on a given day and must work an additional two hours is likely to be less than the marginal productivity of an officer who works one extra eight-hour shift per week.

Overtime Costs and 4/10 Scheduling

Special event overtime (also known as Extended Work Week, or EWW) and court overtime expenditures are higher under a 4/10 system than under a 5/8 system, since officers have one additional scheduled day off each week under the 4/10 system. Consequently, it is more likely that an officer will utilize special event overtime and court overtime under a 4/10 system than under a 5/8 system.

EWW Overtime

Under a 4/10 system, each officer has an average of 156 scheduled watch-off days per year (three days off per week x 52 weeks per year), or 52 more scheduled watch-off days than under a 5/8 system, which provides only 104 scheduled watch-off days per year (two days per week x 52 weeks per year). The district stations incurred 57,157 EWW overtime hours during FY 1995-96, or approximately 366.4 hours per scheduled watch-off day (57,157 hours divided by 156 scheduled watch-off days under the 4/10 system). Based on this figure, we calculated that the districts would incur 38,105 EWW overtime hours per year under a 5/8 system (366.4 hours per watch-off day x 104 scheduled watch-off days under a 5/8 system). This corresponds to a reduction in EWW overtime of 19,052 hours, from 57,157 hours to 38,105 hours per year, as the result of switching to a 5/8 system at the district stations. Based on the average hourly overtime rate of $38.50, this represents a savings of $733,502 per year in EWW overtime.

Court Overtime

Officers assigned to the swing or night watches must always attend court while off-duty and thus always receive overtime for court appearances, regardless of whether such officers are assigned to a 4/10 schedule or a 5/8 schedule. On the other hand, officers assigned to the day watch incur court overtime for off-duty court appearances only on their watch-off days. Since officers have one extra watch-off day per week and therefore have a greater opportunity to receive court overtime for off-duty court appearances, court overtime costs are higher for day watch officers under the 4/10 system. Switching to a 5/8 system at the district stations would reduce court overtime expenditures only for officers assigned to the day watch since it would reduce the likelihood that day watch officers would be off-duty when needed in court.

During FY 1995-96, the district stations incurred 35,497 hours of court overtime. Based on the assumption that swing and night watch officers are more likely to incur court overtime costs than day watch officers, we calculated that, of the 35,497 hours, an estimated 8,343 hours were incurred only by officers assigned to the day watch.

As noted above, under a 4/10 system, each officer has an average of 156 scheduled watch-off days per year, or 52 more scheduled watch-off days than under a 5/8 system, which provides only 104 scheduled watch-off days per year. Thus, day watch officers incur approximately 53.5 court overtime hours per scheduled watch-off day (8,343 hours divided by 156 scheduled watch-off days under the 4/10 system). Based on this figure, we calculated that day watch officers would incur 5,564 court overtime hours per year under a 5/8 system (53.5 hours per watch-off day x 104 scheduled watch-off days under a 5/8 system), or 2,779 fewer court overtime hours than under a 4/10 system. This corresponds to a reduction in court overtime from 35,497 hours to 32,718 hours per year, as the result of switching to a 5/8 system at the district stations. Based on the average hourly overtime rate of $38.50, this represents a savings of $106,992 per year in court overtime.

Thus, as a result of switching to a 5/8 system at the district stations, the Police Department could save a total of $840,494 per year in court and EWW overtime expenditures ($733,502 in EWW overtime plus $106,992 in court overtime).

Returning to a 5/8 System at the District Stations

Our interviews with many officers at the district stations indicate that police officers generally prefer the current 4/10 scheduling system to a 5/8 system. The reasons most often cited are the additional watch-off day that officers receive each week and less commuting time. Thus, the Police Department should assess whether the above-noted improvement in police coverage and staff productivity and the reduction in overtime costs exceed the potential negative effects that returning to a 5/8 system may have on employee morale.

Although we recommend returning to a 5/8 system at the district stations, there are options which Police Department management could exercise in order to improve the current 4/10 system as an alternative to returning to a 5/8 system. For instance, officers working a 4/10 schedule could be granted only eight hours of leave for a paid holiday rather than ten hours, as is the current practice. As such, officers would have to use vacation leave or compensatory time off for the additional two hours of leave per paid day off. This change would be consistent with the City's policy of granting one-tenth of each employee's total number of hours per pay period (80 hours) for each holiday. Moreover, this change would reduce absenteeism at the districts and would provide officers assigned to the districts with the same number

of paid leave hours that sworn personnel receive in other divisions of the Department.

Additionally, the implementation of the recommendations contained in Section 1 of this report could contribute to improving the efficiency of the 4/10 scheduling system. These recommendations include:

- Creating a Special Event Unit within the Special Operations Division and evaluating the assignment of on-duty officers to other units on weekends;
- Adjusting shift start times and/or adding new shifts in order to more effectively schedule shift overlap time during periods of peak demand for service;
- Instituting a new rotating days off scheduling system; and,
- Monitoring sick leave usage on weekends more closely.

Police Department management should meet and confer with the Police Officers Association on the possibility of returning to the 5/8 system at the district stations, or as an alternative, on implementing improvements to the existing 4/10 system, including other recommendations contained elsewhere in this report.

Conclusions

The current 4/10 scheduling practice (four, ten-hour shifts per week) at the district stations results in less police coverage than would be provided under a 5/8 scheduling system (five, eight-hour shifts per week). Under a 5/8 system, the Police Department could improve service levels that would otherwise require an estimated 40 sworn officers, at an estimated benefit of $2,414,670 per year.

Staffing inefficiencies occur because 4/10 scheduling reduces backfill coverage for certain types of absences, such as holidays and training. In addition, 4/10 scheduling results in an average of 30.9 fewer officers scheduled to work per shift compared to the 5/8 scheduling system. Lastly, 4/10 scheduling results in increased court and special event overtime expenditures of an estimated $840,494 per year

Police Department management should meet and confer with the Police Officers Association to convert to a 5/8 scheduling system, and/or to implement potential improvements to the existing 4/10 system. As previously noted, the City of Los Angeles Police Department currently operates on a 5/8 system for two of its three Police Districts.

Recommendation

The Chief of Police should:

2.1 Meet and confer with the Police Officers Association on the possibility of returning to the 5/8 system at the district stations, or to implement potential improvements to the existing 4/10 system.

Costs and Benefits

Implementation of the above recommendation would not result in any new costs to the Department. However, returning to the 5/8 system at the districts could have a potential negative effect on employee morale at the district stations.

Benefits of returning to a 5/8 scheduling system would include: (1) an increase in the level of police officer services, valued at approximately $2,414,670 per year; (2) higher staff productivity per shift (equivalent to approximately 30.9 officers per shift), and (3) a reduction in overtime costs in the amount of $840,494 per year.

3. Police Overtime

Introduction

Police Officer overtime is paid by the Police Department for hours worked on holidays; hours worked in excess of normal assigned duty; hours required for off-duty court appearances; and hours worked for firing range requalification during off-duty hours. Overtime is earned at one and one-half times the straight-time rate, and may be compensated as either overtime pay or compensatory time-off.

Overtime Categories and Funding Sources

In FY 1995-96, the Police Department incurred $16,154,870 in overtime expenditures (including $2,582,538 in holiday overtime). In addition to the high aggregate dollar amount of overtime wages paid to police officers, 61 sworn employees earned between $30,000 and $40,000 in overtime wages and 18 sworn employees earned over $40,000 in overtime wages in CY 1995, for a total of 79 employees earning in excess of $30,000 in overtime wages in CY 1995. Although SFPD management has met and conferred with the Police Officers Association to negotiate limits on the accrual of voluntary overtime, such as Special Law Enforcement Services and Grant Funded activities, current practices have not changed since calendar year 1995, the last full year for which overtime pay records are available.

Police Overtime Funding Sources

The Police Department's overall overtime expenditures are funded from several sources, including General Fund budgeted appropriations, Special Law Enforcement Services (SLES) funds and work order funds. Table 3.1 shows the approximate breakdown of funding sources for overtime for FY 1995-96. As shown, the General Fund pays 77.9 percent of regular police overtime expenditures. An additional 22.1 percent is paid from holiday pay appropriations and workorder reimbursements (such as the $1,050,000 reimbursement paid annually by MUNI, which provides funding for police officer salaries and overtime). Overtime pay is also received from Special Law Enforcement Services (SLES) funds from non-City sources that request SFPD services. Such SLES funds paid in 1995-96 amounted to $3,127,536. SLES funds are not part of the SFPD's buget.

Table 3.1

Overtime Funding Sources
San Francisco Police Department FY1995-96

Funding Source	Amount	Percentage of Total
General Fund Regular (a)		
General Fund Unallocated	$11,635,358	
Grant Subventions	120,428	
Housing Authority Subvention	835,561	
Subtotal - General Fund Regular	$12,591,347	77.9%
General Fund Holiday Pay	$2,582,538	16.0%
Work Orders (b)	980,985	6.1%
Total	$16,154,870	100.0%

(a) The General Fund was reimbursed with $955,989 for police overtime by the San Francisco Housing Authority and various Federal and State granting agencies in FY 1995-96. Net General Fund non-holiday overtime expenditures were therefore $11,635,358 in FY 1995-96.
(b) Includes work order services to MUNI, the Port, the Treasurer's Office and the Department of Social Services (DSS).

Categories of Police Overtime

The SFPD tracks General Fund non-holiday overtime use by unit and by the type of overtime. Specifically, there are five types of General Fund non-holiday overtime:

- **Extended Work Week (EWW) or Special Event Overtime** reflects overtime paid to officers who work beyond their scheduled shifts, or work on their scheduled days off to provide special event coverage. Special events include public activities such as parades, fairs, demonstrations or emergencies which require police officer presence for crowd or traffic control, or other law enforcement duties.

- **Investigative Overtime** is incurred primarily by inspectors in the Investigators Bureau who work beyond their scheduled hours in order to complete investigative duties, such as interviewing witnesses or making arrests.

- **Court Overtime** is paid to sworn employees who are subpoenaed to appear in court during off-duty hours.

- Miscellaneous Overtime consists of civilian overtime and sworn overtime used for training, attending meetings or carrying out other functions during off-duty hours.

- Arrest Overtime is typically paid to district station police officers who are sometimes required to stay beyond their scheduled shifts to complete arrests or to file arrest and/or incident reports.

Another type of General Fund overtime is holiday overtime, which is paid to sworn personnel who are scheduled to work on legal holidays. Holiday overtime is also earned at one and one-half times the straight-time rate, and may be compensated as either overtime pay or compensatory time-off.

A breakdown of General Fund non-holiday overtime hours and expenditures by category for the Police Department in FY 1995-96 is shown in Table 3.2 below.

Table 3.2

General Fund Non-Holiday Overtime Hours and Expenditures by Category of Overtime
San Francisco Police Department FY1995-96

Overtime Category	Number of Hours	FY 1995-96 Expenditure	Percentage of Total
Extended Work Week	103,858	$4,508,855	35.8%
Investigative	57,051	2,476,792	19.7%
Court	53,774	2,334,525	18.5%
Miscellaneous	42,662	1,852,113	14.7%
Arrest	32,687	1,419,062	11.3%
Total	290,032	$12,591,347	100.0%

There is also one category of non-General Fund overtime, which is called Special Law Enforcement Services (SLES) overtime. The cost for SLES overtime is reimbursed to the City by persons or agencies who hire off-duty officers to police special events. SLES overtime expenditures are not part of the SFPD budget. Because SLES overtime is reimbursed, it is tracked separately and is distinct from EWW or special event overtime, which are paid by the General Fund.

Third parties pay one and one-half times the straight-time rate for each hour worked plus 22.6 percent for administrative overhead. Payments are deposited into the SLES fund, with the exception of the 22.6 percent for administrative overhead, which is to be deposited into the General Fund. SLES overtime is discussed in further detail in Section 4.2 of this report.

In addition to overtime compensation, the Department pays for two types of standby duty. (1) The first is court standby, which is paid when a police officer is required to testify at a trial. The officer calls a message tape during specified hours on the evening or weekend prior to the scheduled date of the trial to determine whether he or she will be needed in court the following weekday. If the officer is off-duty during those hours, he or she earns two hours of overtime even if not needed in court. (2) The second type of standby pay is received for investigative on-call duty. The Homicide Detail, Sex Crimes Detail, Juvenile Detail, Photo Lab, Bomb Squad and Crime Scene Investigations each maintain two officers on-call 24 hours per day. The Department compensates an officer who is on-call with two hours of standby pay regardless of whether he or she is called out for duty. If called, he or she is paid the two hours for being on-call, plus the time spent investigating the case. Both court standby and investigative standby are paid at the overtime rate, although they are actually forms of premium pay.

Overtime Policies and Procedures

Sworn personnel are exempt from Administrative Code Section 18.13, which limits permissible overtime hours for City employees to 16 percent of the number of hours the employee is regularly scheduled to work. Rules regarding overtime and compensatory time off for police officers are in Section 11.01 of the San Francisco Police Department's (SFPD) General Order Manual.

Prior authorization for overtime is required in the Investigations Bureau. Each inspector, prior to working overtime, provides an estimate of the approximate number of overtime hours that will be needed to the lieutenant in charge of his or her detail. Following the use of overtime, the inspector must then complete an overtime card and explain, if necessary, why the amount of overtime incurred exceeds the amount for which he or she received prior authorization.

In Field Operations, prior authorization for overtime is not explicitly required. However, an officer is required to obtain prior approval from his or her sergeant before making an arrest. Thus, if an officer needs to stay on-duty beyond his or her normal watch in order to complete an arrest, investigation and/or incident report, any use of overtime is implicitly authorized once the sergeant approves the arrest. Overtime is also assigned by commanding officers in order to provide additional police coverage for special events and emergencies or, in some circumstances, to substitute for officers absent due to sick leave, vacation, disability leave or other factors.

Requests for compensation for extra duty must be submitted to the police officer's commanding officer without delay upon completion of the overtime worked or as soon as possible thereafter. The request is signed by the commanding officer and is used by each unit's clerk to fill out the biweekly watch report, which shows the number of overtime hours worked and the officer's preference regarding form of compensation. The watch report, along with the overtime cards, are sent to payroll. The payroll office then computes overtime payments based solely on the watch reports. Additionally, attendance data and overtime use by police officer are recorded on separate documents, inhibiting commanding officers from knowing if overtime is being incurred on days on which authorized leave is taken.

After each biweekly pay period, the Fiscal Division compiles an overtime summary report, which records the number of overtime hours by unit and purpose (arrest, investigation, court appearance, EWW, miscellaneous). The overtime summary reports are distributed to the Chief and the Deputy Chiefs for review. High overtime usage is highlighted for each deputy chief, who is responsible for investigating the cause of increased overtime. The Fiscal Division also performs periodic audits of overtime use, such as the report on top overtime earners. This report was discontinued by the former Chief for unknown reasons.

General Fund Non-Holiday Overtime Expenditures

Table 3.3 below presents General Fund non-holiday overtime budget amounts and actual expenditures for FY 1991-92 through FY 1995-96. The General Fund Non-Holiday Overtime budget for FY 1996-97 is $8,792,503.

Table 3.3

Budgeted Overtime and Actual Overtime Expenditures
San Francisco Police Department FY1991-92 through FY1995-96

Fiscal Year	Original Budget	Revised Budget	Actual Expenditure
1991-92	$4,465,098	$9,485,098	$9,402,037
1992-93	7,836,212	7,836,212	6,643,247
1993-94	8,278,575	8,278,575	8,115,335
1994-95	8,152,503	9,931,229	10,254,272
1995-96	8,792,503	8,792,503	12,591,347

The increase in overtime expenditures since FY 1992-93 reflected in Table 3.3 above can be explained in part by the five percent annual pay increases police officers have received during that period. Additionally, Table 3.3 shows that police overtime has been significantly underfunded in the past two fiscal years.

Table 3.4 and Exhibit 3.1 show overtime use by category from 1991-92 through 1995-96.

Table 3.4

Hours of Overtime by Category (a)
San Francisco Police Department FY 1991-92 through FY 1995-96

Fiscal Year	EWW (b)	Investigative	Court, Court-related	Miscellaneous (c)	Arrest	Total Hours
1991-92	—	50,040	72,142	63,713	23,148	209,043
1992-93	—	40,108	76,417	32,253	23,674	172,452
1993-94	70,875	44,884	69,102	46,668	28,057	259,586
1994-95	118,412	47,725	58,915	39,250	27,608	291,910
1995-96	103,858	57,051	53,774	42,662	32,687	290,032

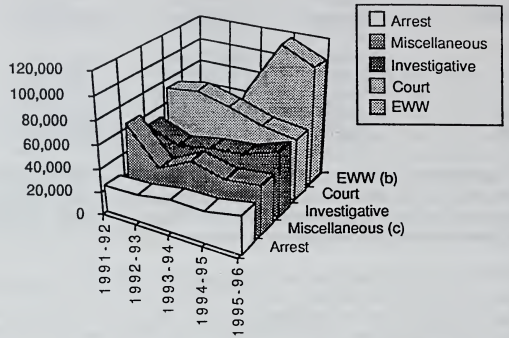
(a) Excludes accrued compensatory hours.

(b) Records of EWW usage for FY 1991-92 and FY 1992-93 were not available. Additionally, the large increase in EWW overtime between FY 1993-94 and FY 1994-95 can be explained in part by a change in accounting procedures for EWW overtime and by the occurrences of the San Francisco *Examiner* newspaper strike in November 1994 and the UN 50 Celebration in June 1995, which both resulted in a significant amount of EWW overtime during FY 1994-95.

(c) As previously noted, miscellaneous overtime includes civilian overtime and sworn overtime for meetings, staff shortages, etc. Civilian overtime is not tracked separately by the Police Department.

Exhibit 3.1

Hours of Overtime by Category (a)
San Francisco Police Department FY 1991-92 through FY 1995-96



(a) Excludes accrued compensatory hours.

(b) Records of EWW usage for FY 1991-92 and FY 1992-93 were not available. Additionally, the large increase in EWW overtime between FY 1993-94 and FY 1994-95 can be explained in part by a change in accounting procedures for EWW overtime and by the occurrences of the San Francisco *Examiner* newspaper strike in November 1994 and the UN 50 Celebration in June 1995, which both resulted in a significant amount of EWW overtime during FY 1994-95.

(c) As previously noted, miscellaneous overtime includes civilian overtime and sworn overtime for meetings, staff shortages, etc. Civilian overtime is not tracked separately by the Police Department.

Table 3.4 illustrates that total paid overtime hours have fluctuated widely during the past five years. Additionally, Exhibit 3.1 demonstrates that while court and miscellaneous overtime have generally declined over the past five years, investigative and arrest overtime have increased during the same period. A separate calculation shows that investigative overtime increased by an average of 12.6 percent per year between FY 1992-93 and FY 1995-96 and increased by 19.5 percent between FY 1994-95 and FY 1995-96. Arrest overtime has increased by 41.2 percent since FY 1991-92.

Table 3.5 presents the distribution of non-holiday General Fund overtime by bureau for FY 1995-96.

Table 3.5

Distribution of Non-Holiday General Fund Overtime Hours by Bureau – San Francisco Police Department FY 1995-96

Bureau	Number of Overtime Hours (a)	Percentage of Total Overtime	Percentage of Sworn Personnel (b)
Field Operations	203,613	60.8%	70.7%
Investigations	94,448	28.2%	17.5%
Administration/Chief's Office	36,666	11.0%	11.8%
Total	334,728	100.0%	100.0%

(a) Includes EWW overtime and compensatory hours earned.
(b) As of February 2, 1996 (excludes recruits in field training).

Table 3.6 and Exhibit 3.2 compare the use of non-holiday General Fund overtime hours by purpose for each bureau during FY 1995-96.

Table 3.6

San Francisco Police Department
Distribution of Non-Holiday General Fund Overtime Hours by Category and Bureau for FY 1995-96

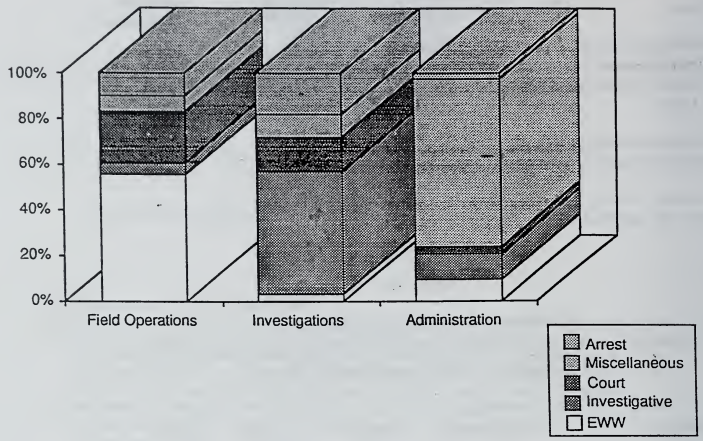
Bureau	Field Operations	Invest.	Admin.	Total
EWW	98,665	2,596	2,596	103,858
Investigative	9,026	44,788	3,237	57,051
Court, Court-related	40,331	12,593	850	53,774
Miscellaneous	12,874	8,598	21,190	42,662
Arrest	17,298	14,806	583	32,687
Subtotal-Paid Overtime	178,194	83,381	28,456	290,032
Compensatory Time (a)	25,419	11,067	8,210	44,696
Total Overtime	203,613	94,448	36,666	334,728

(a) The SFPD does not track compensatory time earned by type of overtime.

The data included in Table 3.6 is visually presented in Exhibit 3.2, below.

Exhibit 3.2

San Francisco Police Department
Distribution of Non-Holiday General Fund Overtime Hours
by Category and Bureau for FY 1995-96



(a) The SFPD does not track compensatory time earned by type of overtime.

Based on the data contained in Tables 3.5 and 3.6, and Exhibit 3.2, we have drawn the following conclusions:

- The majority of police overtime expenditures are incurred by the Field Operations Bureau, followed by Investigations and Administration.

- Field Operations uses the highest levels of EWW, court and arrest overtime. EWW overtime represents the largest source of overtime (55 percent) for Field Operations.

- The highest level of investigative overtime is in the Investigations Bureau. Investigative overtime represents over half (54 percent) of all overtime used by the Investigations Bureau.

- The highest level of miscellaneous overtime is in the Administration Bureau. Miscellaneous overtime represents nearly 75 percent of all overtime used by the Administration Bureau.

Special Event Overtime

Special events are the single largest reason for overtime in the Police Department. In FY 1995-96, the Department logged 103,858 overtime hours for special events, which represents 35.8 percent of all General Fund non-holiday overtime hours (excluding Special Law Enforcement Services or SLES).

Although the Department maintains that it deploys sufficient staff for its average workload, the Department must usually re-deploy or extend shifts of on-duty personnel, or schedule off-duty personnel in order to respond to emergency situations or special events and still maintain a basic level of law enforcement services. Because special events often involve extending the shifts of on-duty personnel or scheduling off-duty personnel, special event overtime is categorized and tracked as Extended Work Week or EWW overtime.

Incidents requiring added Police presence may include emergencies such as the 101 California Street shooting, planned events such as the Cinco De Mayo or Gay Freedom Day parades, or a particularly high incidence of crime on any given day or night. In the case of an emergency that requires mobilization of the entire Department (such as the Loma Prieta earthquake), overtime hours are limited by the Department as soon as the emergency situation has stabilized enough for the Department to set up scheduled shifts. During such emergency situations, shifts are limited to 12 hours.

The deployment of sworn employees at special events, cost recovery for special event coverage (including SLES) and recommendations to reduce special event overtime are discussed in detail in Section 4 of this report.

Overtime Quotas

Based on our initial interviews with the Police Department, one of our preliminary recommendations had been to establish overtime quotas for each unit in the Police Department in order to better control overtime expenditures. As of the writing of this report, the Police Department had independently established overtime quotas for each unit. If implemented, these quotas would result in a reduction of 43,564 paid overtime hours from the 1995-96 level of 186,174 hours (excluding EWW and SLES overtime), for

an annual savings of approximately $1,677,214 in regular, General Fund overtime. The Budget Analyst supports the implementation of these overtime quotas. However, the Budget Analyst believes that overtime expenditures could be further reduced by implementing other recommendations included in this report.

Savings

Implementation of all of the recommendations contained in the following sections, and our assessment of the savings that will occur from the new overtime quota policy recently implemented by the SFPD, would save up to $4,535,972 in sworn overtime expenditures annually. However, all of the findings would result in somewhat greater savings if implemented without any of the others. Therefore, we have presented the table below which shows a high range for each finding, in the column entitled "High Estimated Savings" (i.e., the savings that would occur if implemented alone). There is no cumulative total for this column since concurrent implementation of all of the findings would affect the total savings to be achieved. Accordingly, if all of the recommendations are implemented concurrent with one another, the savings identified in the "Low Estimated Savings" column would occur, up to the cumulative total of $4,535,972.

Section	Title	High Estimated Savings	Low Estimated Savings
—	Overtime Quotas	$1,677,214	$1,677,214
3.1	Investigative Overtime	504,304	428,658
3.2	Court Overtime	964,398	819,738
3.3	Arrest Overtime	114,836	97,611
3.4	High Overtime Usage	0	0
3.5	Overtime Policies and Practices	1,957,200	1,512,751
	Cumulative Savings	N/A	$4,535,972

Subsections which include our specific findings and associated recommendations are presented on the following pages.

3.1 Investigative Overtime[1]

- **At approximately 20 percent of overtime costs, investigative overtime represents the second most significant source of General Fund overtime expenditures for the Police Department. Investigative overtime usage has increased by an average of 12.6 percent per year since FY 1992-93.**
- **Investigative personnel work a standard eight-hour, five day work week schedule, even though a portion of their work takes place during evening and weekend hours.**
- **Investigators receive two hours of overtime pay for being on-call during off-duty hours, even though Civil Service rules only authorize two hours of straight time pay for on-call duty.**
- **Introducing flexible time for investigators and paying investigative standby pay at straight time rate rather than the overtime rate of pay, as permitted by Civil Service, would result in annual savings of at least $504,304 in overtime expenditures.**

Investigative overtime represents the second most significant source (nearly 20 percent) of General Fund overtime for the Police Department. Investigative overtime usage has increased by an average of 12.6 percent per year since FY 1992-93.

For crime incidents occurring during evening or night-time hours, the Police Department has a Night Investigations Detail, which is responsible for responding to and investigating incidents occurring between 6 PM and 6 AM, seven days a week. The Night Investigations Detail was formed in order to reduce investigative overtime by inspectors. However, investigative overtime hours increased by an average of 12.6 percent per year between FY 1992-93 and FY 1995-96 and increased by 19.5 percent between FY 1994-95 and FY 1995-96. In FY 1995-96, the Investigations Bureau incurred approximately 44,788 hours for investigative overtime.

[1] This section is limited to a discussion of investigative overtime. A review of the overall performance and organization of the Investigations Bureau will be conducted as part of Phase II of this management audit.

There are three sources of investigative overtime:

(1) Follow-up investigations on assigned cases;

(2) Investigative standby; and,

(3) Rebookings.

Rebookings involve the process by which an inspector presents the case against an arrested suspect for review by the District Attorney. The District Attorney then determines what charges, if any, to "rebook" for prosecution against the suspect.

The law requires that a rebooking be performed within 48 hours after an arrest. Because of this time constraint, a rebooking takes precedence over all other work. Because of its priority status during regular work hours, rebooking activities reportedly account for only a small portion of investigative overtime.

Overtime for Investigating Assigned, Unsolved Cases

According to the SFPD, at least 80 percent of investigative overtime (an estimated 36,000 hours) is used for investigating assigned, unsolved cases. One reason this type of investigative overtime occurs is that the normal work week for investigative personnel is Monday through Friday, and the normal time of work is from 9 AM to 5 PM. Because of this work schedule, investigation and arrest activity that is performed during evening hours or on weekends is compensated at overtime rates.

This use of overtime could be reduced by providing investigative personnel with flexible working hours and days so that they could participate in activities that occur outside of normal working hours at straight time pay. For example, if an inspector knows that he or she has an appointment to interview a witness during evening hours on a weekday, he or she could be authorized to arrive to work later that day so that the interview could be completed during a regular eight-hour flex shift.

The Investigations Bureau should set a goal of reducing overtime related to the investigation of assigned, unsolved cases by at least 25 percent, or by approximately 9,000 hours by introducing flexible time for inspectors (a reduction of approximately 345 hours per pay period, or only 1.9 hours per inspector per pay period). At the hourly overtime rate for inspectors of $43.98, this reduction would result in annual overtime savings of $395,820 per year.

Investigative Standby Pay

The Homicide, Sex Crimes and Juvenile Details, and the Photo Lab and Crime Scene Investigations Unit each have two inspectors on standby at night to respond to incidents that occur during evening and nighttime hours (for a total of ten inspectors). In accordance with General Order Section 11.01, inspectors who are on standby are compensated with two hours of standby pay at the overtime rate, even though investigative standby is not overtime. Inspectors who are called for duty while on investigative standby are compensated for two hours of standby pay, plus the time spent investigating the case. Although investigative standby expenditures are not tracked separately, the Department estimates that it incurs approximately 7,400 overtime hours per year for investigative standby.

Under Civil Service rules, standby pay is to be paid at the rate of 25 percent of an employee's straight time rate of pay for a regular eight-hour shift, which is equivalent to two hours of pay at the straight time rate. According to the Police Department, prior to 1984, investigative standby pay was paid in accordance with Civil Service rules. However, the Police Department advises that, after the approval of a 1983 Charter Amendment which authorized the payment of sworn overtime at the rate of time and one-half rather than at the straight time rate, the Police Department started paying the two hours of standby pay also at the overtime rate. This change in practice was not authorized by, or consistent with the intent of the 1983 Charter Amendment.

Investigative standby pay should be paid at the straight time rate for inspectors of approximately $29.32 per hour, or $14.66 less than the overtime hourly rate of $43.98. This would result in a savings of $108,484 per year ($14.66 per hour x 7,400 hours) for investigative standby pay. Additionally, since investigative standby pay is a type of premium pay and not overtime, it should be budgeted under the Police Department's annual premium pay budget.

Conclusions

At approximately 20 percent of overtime costs, investigative overtime represents the second most significant source of General Fund overtime expenditures for the Police Department. Investigative overtime usage has increased by an average of 12.6 percent per year since FY 1992-93.

Investigative personnel work a standard eight-hour, five day work week schedule, even though a portion of their work takes place during evening and weekend hours.

Investigators receive two hours of overtime pay for being on-call during off-duty hours, even though Civil Service rules only authorize two hours of straight time pay for on-call duty.

Introducing flexible time for investigators and paying investigative standby pay at the straight time rate rather than the overtime rate of pay, as permitted by Civil Service, would result in annual savings of at least $504,304 in overtime expenditures.

Recommendations

The Chief of Police should:

3.1.1 Direct the Deputy Chief of Investigations to work with the Police Officers Association to develop flexible work hours for investigative personnel.

3.1.2. Amend General Order Manual Section 11.01 to provide that members placed on investigative on-call status will receive two hours of straight time pay per day instead of the present practice of receiving two hours of overtime pay per day.

The Deputy Chief of Investigations should:

3.1.3 Set an objective of reducing investigative overtime earned on the investigation of assigned, unsolved cases by at least 25 percent by introducing flexible work hours for inspectors.

The Deputy Chief of Administration should:

3.1.4 Develop a method to track and report investigative standby hours separately from other investigative overtime.

3.1.5 Budget investigative standby expenditures in the Police Department's annual premium pay budget.

Costs and Benefits

There would be no costs to implement these recommendations.

Introducing flexible time for investigative personnel and paying investigative standby pay at the straight time rate rather than the overtime rate of pay could result in an annual savings of at least $504,304 in overtime expenditures.

Separate budgeting of investigative standby pay in the Police Department's annual premium pay budget would permit the Department to more easily track the use of investigative standby hours.

3.2 Court Overtime

- **Although court overtime expenditures have declined by 30 percent since FY 1992-93 due to progressive policy changes implemented by the Police Department, court overtime continues to represent the third most significant reason for police officer overtime in the SFPD.**

- **Officers receive two hours of overtime for court standby, which is contrary to Civil Service rules which would require 2.5 hours of straight time pay.**

- **In addition, San Francisco has not implemented Proposition 115, which could result in a significant savings in court overtime expenditures for the Police Department. Proposition 115 authorizes individual police officers to present the reports of other officers as hearsay evidence at preliminary hearings, reducing the number of officers required to attend court.**

- **Paying court standby pay at the straight time rate – in accordance with Civil Service rules – and implementing the provisions of Proposition 115, could result in reduced court overtime expenditures for the Police Department of up to $964,398 per year.**

Off-duty court appearances are the third most significant reason for police overtime. The Police Department logged 53,774 hours in court overtime during FY 1995-96, which represented 18.5 percent of all General Fund non-holiday overtime hours in that year.

Under General Order Manual Section 11.01, an officer is guaranteed:

- A minimum of three hours of overtime pay for appearing in court on a scheduled day off, regardless of the duration of the actual court appearance;

- A minimum of three hours overtime if scheduled to start work at noon and the court appearance occurs during the morning session, regardless of the duration of the actual court appearance; and,

- Up to three hours of overtime, if the officer is scheduled to appear in court before his or her regularly scheduled shift, depending on the time and duration of the court appearance.

The average court overtime appearance is approximately three hours. In many cases, the actual time spent in court may be much less.

The Department has implemented policies to reduce court overtime. For instance, the Department instituted a Municipal Court standby system whereby police officers call a message tape over the weekend, usually while on-duty, to determine when their cases will be heard the following week. Prior to the implementation of this system, officers would attend court everyday until their cases were heard.

In June 1994, the Department began a Superior Court standby system for all felony cases. Subpoenaed officers now call a message tape (usually while on-duty) the evening prior to the scheduled trial date to determine whether they will be needed in court the following day. Prior to the implementation of the Superior Court standby system, subpoenaed officers would attend court on Monday to find out if their trials would begin the next day, and receive at least three hours of overtime. Officers who were told that the case would continue would attend court everyday until their testimony was given. The implementation of these measures may have been the primary reason for the 30 percent decline in court overtime hours between FY 1992-93 and FY 1995-96, from 76,417 hours to 53,774 hours per year.

Court Standby Pay

An officer is paid two hours of court standby pay when required to call the message tape during specified hours on the evening or weekend prior to the scheduled date of a trial to determine whether he or she will be needed in court to testify the following weekday. Court standby pay is not tracked separately by the Police Department. However, the Fiscal Division estimates that police officers at the district stations use approximately 6,500 hours per year for court standby duty. Thus, there are an estimated 3,250 requests for court standby pay per year (equivalent to 6,500 court standby hours divided by two hours per request).

In accordance with General Order Section 11.01, court standby pay is paid at the same rate as overtime, even though is it not overtime. However, under Civil Service rules, standby pay is to be paid at the rate of 25 percent of an employee's straight time rate of pay for a regular shift, which is equivalent to 2.5 hours of pay at the straight time rate (officers at the district stations work ten-hour shifts).

According to the Police Department, prior to 1984 court standby pay was paid in accordance with Civil Service rules. However, the Police Department advises that, after the approval of a 1983 Charter Amendment which authorizes the payment of sworn overtime at the rate of time and one-half rather than at the straight time rate, the Police Department started paying the two hours of standby pay also at the overtime rate. This change in practice was not authorized by, or consistent with the intent of the 1983 Charter Amendment.

An officer on court standby should receive 2.5 hours of straight time pay or $62.15 (the hourly rate for a police officer of $24.86 per hour x 2.5 hours), or $12.43 less than

the current payment for court standby of $74.58 (the hourly overtime rate of $37.29 x two hours). This would result in a savings in court standby expenditures of $40,398 per year ($12.43 per request x 3,250 requests). Additionally, since court standby pay is a type of premium pay and not overtime, it should be budgeted in the Police Department's annual premium pay budget.

Court Overtime for Preliminary Hearings

Police officers also incur court overtime hours while attending preliminary hearings in the Municipal Court during off-duty hours. At the preliminary hearing, the judge determines whether there is sufficient evidence for a case to go to trial. The arresting officer is required to be present at the preliminary hearing in order to provide testimony. However, in many cases, more than one officer is involved in an arrest.

Prior to 1989, all officers present at an arrest were required to attend the preliminary hearing. However, in 1989, Proposition 115 was approved by California voters, which allowed the presentation of "hearsay" evidence during a preliminary hearing. Thus, under Proposition 115, an officer present at the scene of an arrest is permitted to provide testimony on the actions of other officers present at the scene.

Based on a prior study conducted by the Coro Foundation regarding the effects of Proposition 115 on the SFPD, about two-thirds of court overtime hours are for preliminary hearings.[1] Thus, of the 53,774 court overtime hours incurred in FY 1995-96, an estimated two-thirds, or approximately 36,000 court overtime hours, were for preliminary hearings.

According to the Police Department, an average of three sworn officers are subpoenaed to testify during preliminary hearings. If this number were reduced to two officers, this would result in a reduction of one-third of the Court Overtime hours required for preliminary hearings, or 12,000 court overtime hours. This equates to an estimated annual savings of $462,000, based on the average overtime rate of $38.50 per hour x 12,000 hours. If the number of officers attending preliminary hearings were reduced to one officer, as is permitted under Proposition 115, this would result in a reduction of 24,000 court overtime hours, for an estimated annual savings of $924,000.

As of the writing of this report, the Budget Analyst had been advised by the Police Department that the Department is currently meeting with the District Attorney's Office to coordinate the implementation of Proposition 115. The Board of

[1] Hatamiya, Leslie, "The Impact of Proposition 115 on the San Francisco Police Department," Coro Foundation, October 1990.

Supervisors should request that the Mayor and the District Attorney report back on the status of implementation within three months after the acceptance of the recommendations contained in this report.

Conclusions

Although court overtime expenditures have declined by 30 percent since FY 1992-93 due to progressive policy changes implemented by the Police Department, court overtime continues to represent the third most significant reason for police officer overtime in the SFPD.

Officers receive two hours of overtime for court standby, which is contrary to Civil Service rules which only require payment of 2.5 hours of straight time.

In addition, San Francisco has not implemented Proposition 115, which would result in a significant savings in overtime expenditures for the Police Department. Proposition 115 authorizes individual police officers to present the reports of other officers as hearsay evidence at preliminary hearings, reducing the number of officers required to attend court.

Paying court standby pay at the straight time rate -- in accordance with Civil Service rules -- and implementing the provisions of Proposition 115, would result in reduced court overtime expenditures for the Police Department of up to $964,398 per year.

Recommendations

The Chief of Police should:

3.2.1 Amend General Order Manual Section 11.01 to provide that members placed on court standby status will receive 2.5 hours of straight time pay per day instead of two hours of overtime pay.

3.2.2 Continue collaboration with the District Attorney's Office, and the Public Defender's Office as appropriate, to implement the provisions of Proposition 115.

The Deputy Chief of Administration should:

3.2.3 Develop a method to track and report court standby hours separately from other court overtime.

3.2.4 Budget court standby expenditures in the Police Department's annual premium pay budget.

Costs and Benefits

There would be no cost to implement these recommendations.

The payment of court standby pay at the straight time rate, in accordance with Civil Service rules, and the implementation of Proposition 115 would result in reduced court overtime expenditures of up to $964,398 per year.

Separate budgeting of court standby pay in the Police Department's annual premium pay budget would permit the Department to more easily track the use of court standby hours.

3.3 Arrest Overtime

- **Although arrest overtime represents only 11.3 percent of all General Fund overtime for the Police Department, arrest overtime hours have increased by 41.2 percent since FY 1991-92.**
- **Arrest overtime at the district stations is incurred primarily when arrests occur at the end of a police officer's shift, because the performance of arrest-related duties often requires several hours of a police officer's time.**
- **A written policy directive should be considered and implemented by the Chief of Police to require that district sergeants, when possible, delegate arrest-related duties to officers who have sufficient time remaining on their shifts to perform such duties without incurring overtime. Based on this directive, district captains should set a goal of reducing arrest overtime by at least 25 percent. The district captains should regularly monitor field sergeant adherence to this directive, and Field Operations Bureau Administration should report back to the Chief of Police with results of the change in policy one year after implementation.**
- **Successful implementation of this recommendation would result in annual overtime savings of at least $114,836 per year.**

The Police Department incurred 32,687 overtime hours for arrests in FY 1995-96, of which 13,021 hours were incurred by the district stations. Although arrest overtime represents only 11.3 percent of all General Fund overtime for the Police Department, arrest overtime hours have increased by 41.2 percent since FY 1991-92.

Arrest Overtime at the District Stations

Arrest overtime at the district stations is earned by police officers primarily when arrests are made at the end of a shift. The process of making an arrest often takes several hours because it involves numerous duties, such as interviewing the suspect, victim and witnesses; transporting the suspect to the nearest district station; booking the suspect and his or her property; and completing an arrest report. Thus, if an officer makes an arrest near the end of his or her shift, it is probable that overtime will be necessary in order to complete these duties.

The on-duty field sergeant must authorize an arrest before it can be made by a police officer. Therefore, if a police officer who is nearing the end of his or her shift is about to make an arrest, the on-duty sergeant could delegate certain arrest-related duties to other on-duty officers who have sufficient time remaining on their shifts to perform such duties without overtime. Such a practice would reduce the likelihood that the arresting officer will incur substantial overtime at the end of his or her shift.

This practice already occurs to some extent. For example, the Mission District Station has a holding cell capacity for approximately 40 prisoners. When arrests are made in the Mission District, police officers transport their prisoners to the Mission District Station for holding. Although the arresting officer processes the prisoner into the facility, fills out necessary paperwork, interviews the prisoner, and completes his or her police report before returning to duty or completing his or her shift, the transport and processing of prisoners into the Hall of Justice is typically performed by other officers. This process saves time for patrol and beat officers, allowing a greater police officer presence on the street.

For more significant or complicated crimes throughout the City, sergeants may utilize several police officers to conduct certain field duties during an arrest. Officers – other than the arresting officer – may transport prisoners, conduct interviews of victims or witnesses, accompany victims to the hospital or to the police station to make statements, collect evidence at the crime scene, and perform other duties. However, multiple officers are generally used by the sergeant only when the crime is significant or complicated, not when arrest overtime appears likely.

The Chief of Police should consider and implement a broader policy requiring field sergeants to delegate arrest-related duties to officers who have sufficient time remaining on their shifts to perform such duties, with the objective of reducing arrest overtime at the district stations. Based on this directive, the Department should set a goal for district captains to reduce arrest overtime by at least 25 percent, or by approximately 3,255 hours per year (equivalent to approximately 25 percent of 13,021 hours, or a reduction of approximately 125 hours per pay period City-wide). At the hourly overtime rate for police officers of $35.28, this reduction in overtime use would result in annual savings of approximately $114,836. The approval and use of arrest overtime should be regularly monitored by the district captains and FOB administration to ensure that actual use remains low, and to identify any circumstances which might interfere with the successful implementation of this directive (e.g., the unavailability of additional police officer staff). In addition, FOB Administration should report back to the Chief of Police with results of the policy change one year after the implementation of this directive.

Conclusions

Although arrest overtime represents only 11.3 percent of all General Fund overtime for the Police Department, arrest overtime hours have increased by 41.2 percent since FY 1991-92.

Arrest overtime at the district stations is incurred primarily when arrests occur at the end of a police officer's shift, because the performance of arrest-related duties often requires several hours of a police officer's time.

A written policy directive should be considered and implemented by the Chief of Police to require that district sergeants, when possible, delegate arrest-related duties to officers who have sufficient time remaining on their shifts to perform such duties without incurring overtime. Based on this directive, district captains should set a goal of reducing arrest overtime by at least 25 percent. The district captains should regularly monitor field sergeant adherence to this directive, and FOB Administration should report back to the Chief of Police with results from the change in policy one year after implementation.

Successful implementation of this recommendation would result in annual overtime savings of at least $114,836 per year.

Recommendations

The Chief of Police should:

3.3.1 Consider and implement a policy directive to require that district sergeants, when possible, delegate arrest-related duties to officers who have sufficient time remaining on their shifts to perform such duties, with the objective of reducing arrest overtime at the districts.

FOB Administration and the district captains should:

3.3.2 Set a goal of reducing arrest overtime by at least 25 percent by requiring that sergeants, when possible, delegate arrest-related duties to officers who have sufficient time remaining on their shifts to perform such duties.

3.3.3 Report back to the Chief of Police with results one year after the implementation of the above recommendations.

Costs and Savings

There would be no cost to implement these recommendations.

The implementation of these recommendations would result in annual overtime savings of at least $114,836.

3.4 High Overtime Earnings by Individual Officers

- **Police officers who work a high number of overtime hours can become fatigued, increasing the potential for using poor judgment during the performance of their duties. Using poor judgment can impact the safety of the police officer, his or her co-workers and the public, and can result in increased officer injury and workers compensation costs for the City.**

- **In CY 1995, 403 sworn employees regularly worked in excess of 48 hours per week. Of these, 61 sworn employees earned between $30,000 and $40,000 in overtime wages and 18 sworn employees earned over $40,000 in overtime wages, for a total of 79 employees earning in excess of $30,000 in overtime wages in one year. Sixteen police officers, sergeants and inspectors earned in excess of $100,000 from regular and overtime wages. One individual earned more than the Chief of Police.**

- **Although overtime data is only available for 1995, these practices have not changed. However, the management of SFPD is now meeting and conferring on setting limits on voluntary overtime pay. The Police Department should establish limits on voluntary individual overtime for sworn employees and should more closely monitor overtime earned by civilian employees. By establishing overtime limits, the likelihood of police officer fatigue and overtime expenditures would be reduced by an estimated $220,000 annually.**

According to SFPD management, many police officers who earn high amounts of overtime are scheduled to work on the night shift and weekends. As a result, these officers can earn significant overtime when required to attend weekday and daytime court. Individuals who are scheduled on holidays, work special duty, volunteer for a significant number of special events (including Special Law Enforcement Services funded events) or are assigned to grant activities can also earn high amounts of overtime. Based on our review of overtime records, special event overtime (or Extended Work Week–EWW), is the largest single reason overtime is paid to police officers, representing approximately 36 percent of all overtime paid in FY 1995-96. Also, over $3.1 million annually is paid in SLES overtime using non-City funds and such funds are the source for many high earners of overtime. Although specific records are not maintained by the Department, it is also likely that Investigative overtime and EWW overtime is a major contributing factor to high overtime earnings paid from City funds by individual officers.

Individual police officers who work high amounts of overtime affect Police Department operations, public safety, and police officer safety in two primary ways:

(1) Individuals who work a significant number of overtime hours can earn relatively high salaries when compared with their co-workers. These individuals can become dependent on their higher salaries, competing vigorously with their co-workers for overtime assignments when such assignments become available. Accordingly, by providing a culture of unfettered acceptance and opportunity for individuals to increase their salaries substantially over base levels, the City may be inadvertently encouraging its employees to overwork themselves and to manipulate the work scheduling system to achieve personal economic advantage. Working a high number of overtime hours can become a person's primary employment goal, regardless of how an excessive work schedule may affect his or her personal or professional life.

(2) Individuals who work a high number of overtime hours can become fatigued, increasing the potential for using poor judgment during the performance of their duties. Using poor judgment can impact the safety of the officer, his or her co-workers, and the public, and can result in the likelihood of increased officer injury and workers compensation costs.

More detailed discussion of these issues are provided below.

Top Overtime Earners

High overtime earnings by individual police officers results in high total salaries for many officers in the SFPD. In CY 1995, 61 sworn employees earned between $30,000 and $40,000 in overtime wages and 18 sworn employees earned over $40,000 in overtime wages, for a total of 79 employees earning in excess of $30,000 in overtime wages in one year. For a police officer, whose base salary is $51,909 per year at the top step, earning overtime wages of $30,000 would result in a total annual salary of $81,909. For an inspector or sergeant, whose base annual salaries are $60,329 each, earning overtime wages of $30,000 would result in a gross annual salary of $90,329.

Of the 79 employees who earned in excess of $30,000 in overtime wages, there were 16 police officers, sergeants and inspectors who earned total salaries in excess of $100,000 in CY 1995. The total earnings for these individuals exceeded the base annual salaries for lieutenants, captains and commanders, which were $68,821, $80,812 and $95,488 respectively in 1995. Four of these individuals earned more than $117,515 per year, which is the salary of a deputy chief. One sergeant earned more than the chief of police, who earns $126,694 per year. That sergeant, who was the top overtime earner in CY 1995, was assigned to the Vice Unit in the Investigations

Bureau and earned approximately $66,405 in overtime wages, for a total annual salary of approximately $130,485.

Table 3.4.1 shows the top five overtime earners for CY 1995.

Table 3.4.1

Top Police Department Overtime Earners
San Francisco Police Department - CY 1995

Rank	Unit	CY 1995 Overtime Wages	CY 1995 Total Wages	No. of OT Hours Worked	% of Regular Hours	Avg. No. of OT Hours/ Week
Q50 Sergeant	Vice	$66,405 (1)	$130,485	1,512	72.4%	29.0
0380 Inspector	Vice	62,617 (2)	124,955	1,422	68.1	27.2
Q50 Sergeant	Central	58,119 (3)	123,193	1,365	65.4	26.1
Q2 Police Officer	Potrero/Gangs	57,320 (4)	112,314	1,541	73.8	29.5
0380 Inspector	Homicide	53,792	115,219	1,235	59.1	23.7

Notes: (1) $18,923 or 28.5% of overtime earnings are from non-City SLES funds.
(2) $13,942 or 22.3% of overtime earnings are from non-City SLES funds.
(3) $54,804 or 94.3% of overtime earnings are from non-City SLES funds.
(4) $378 or 0.7% of overtime earnings are from non-City SLES funds.

As shown above, these five officers worked between 59.1 percent and 73.8 percent of their regularly scheduled hours in overtime (2,088 hours per year, which includes holiday, vacation, sick, and other leave hours), or an average of between 23.7 and 29.0 hours of overtime per week, for all 52 weeks in the year. Based on analysis conducted for Section 1 and Section 2 of this report, regular and overtime hours worked by these individuals exceeded the average number of total hours worked by other police officers in the Department by a minimum of between 174.0 percent and 190.5 percent in 1995 (nearly twice as many hours).

We did not evaluate the specific reasons why these individuals were permitted to work such high amounts of overtime. Certainly, as with other police officers in the Department, some of this overtime may have been necessary and unavoidable due to the nature of the individuals' assignments and workload. However, it is the Budget Analyst's professional opinion that working overtime hours to the extent reported for the top overtime earners in the Department can lead to worker fatigue and low morale.

The Potentially Negative Effect of High Overtime Usage on Public Safety

The Budget Analyst examined the Controller's report, dated January 19, 1996, regarding the City's top overtime earners for Calendar Year 1995. Table 3.4.1 shows a breakdown of overtime use by sworn employees, based on approximately 2,034 officers on-duty as of January, 1996.

Table 3.4.2

Overtime Usage by Sworn Employees
San Francisco Police Department, 1995

% of Regular Hours/Officer in Overtime	Cumulative No. of OT Hours	% of Total	No. of Swom Employees	% of Total	Avg. No. of OT Hours/ Week/Officer	Total No. of Hours/ Week/Officer
< 10%	30,827	6.8	1,098	54.0	< 4	< 44
10 - 20%	178,751	39.7	533	26.2	4 - 8	44 - 48
20 -30%	120,432	26.8	246	12.1	8 - 12	48 - 52
30 - 40%	72,334	16.1	105	5.2	12 - 16	52 - 56
40 -50%	29,218	6.5	35	1.7	16 - 20	56 - 60
50 - 60%	12,597	2.8	9	0.5	20 - 24	60 - 64
60 - 70%	2,787	0.6	5	0.2	24 - 28	64 -68
> 70%	3,054	0.7	3	0.1	> 28	> 68
	450,000	100.0	2,034	100.0		

As reflected in Table 3.4.1, 46 percent, or 936 sworn employees, worked in excess of ten percent of their regular hours in overtime, which accounted for 93.2 percent of all overtime hours. These 936 employees worked in excess of 44 hours per week on a year-round basis (40 regular hours plus 4 overtime hours). Of these 936 employees, 403 officers worked in excess of 48 hours per week on a year-round basis, and 157 worked in excess of 52 hours per week on a year-round basis. In addition, the City permits police officers to have second jobs, at which they are permitted to work up to an additional 20 hours per week. It is uncertain the extent to which high overtime earners may have second jobs which would further increase the total number of hours worked by each.

Establishing and Monitoring Individual Limits on Overtime

The San Francisco Administrative Code establishes the maximum number of overtime hours that can be worked by miscellaneous employees as 16 percent of regularly scheduled hours (approximately 334 overtime hours per year). There is currently no limit on overtime for sworn employees. Upon examining the Controller's overtime report, the Budget Analyst identified 580 sworn employees (28.5 percent of the workforce) and ten miscellaneous employees with overtime hours in excess of 16 percent of regularly scheduled hours, or more than 334 overtime hours per year.

The Police Department may wish to consider establishing limits on voluntary overtime (such as SLES, and in contrast to EWW or Court overtime where limits cannot be enforced) for individual sworn employees. For example, the Police Department could establish an overtime limit for sworn employees at 20 percent (418 hours per year) of regularly scheduled hours. This would provide for a more equitable distribution of overtime hours throughout the Department, reducing the likelihood that a small percentage of police officers would work excessive hours and become fatigued. Additionally, individual sworn overtime limits could potentially result in a reduction in overtime expenditures.

A portion of this overtime cost would likely be shifted from sworn employees who currently work more than 120 percent of their regular hours, to sworn employees who currently work fewer overtime hours than would be permitted under a 20 percent cap on voluntary overtime. However, if some of the overtime hours currently worked by sworn employees are not essential, such non-essential hours could potentially be eliminated by establishing individual overtime limits. However, because of a lack of available data, we cannot estimate overtime savings which may result from establishing overtime work limitations at this time.

Additionally, the Police Department should more closely monitor high overtime use by miscellaneous employees. As noted above, despite the 16 percent limit on overtime established by Administrative Code, there were ten miscellaneous employees who worked more than 16 percent of their regular hours in overtime in CY 1995. These ten employees resulted in an excess overtime wage expense of $32,254 for the Police Department. However, whether the enforcement of the 16 percent overtime limit for miscellaneous employees would result in a reduction in overtime expenditures depends on what portion of the excessive overtime hours are shifted to miscellaneous employees who work less than 16 percent of their regular hours in overtime.

Conclusions

Police officers who work a high number of overtime hours can become fatigued, increasing the potential for using poor judgment during the performance of their duties. Using poor judgment can impact the safety of the police officer, his or her co-workers and the public, and can result in increased officer injury and workers compensation costs for the City.

In CY 1995, 403 sworn employees regularly worked in excess of 48 hours per week. Of these, 61 sworn employees earned between $30,000 and $40,000 in overtime wages and 18 sworn employees earned over $40,000 in overtime wages, for a total of 79 employees earning in excess of $30,000 in overtime wages in one year. Sixteen police officers, sergeants and inspectors earned in excess of $100,000 from regular and overtime wages. One individual earned more than the Chief of Police.

The Police Department should establish limits on voluntary overtime for sworn employees and should more closely monitor overtime earned by civilian employees. By establishing overtime limits, the likelihood of police officer fatigue and overtime expenditures would be reduced.

Recommendations

The Chief of Police should:

3.4.1 Establish a voluntary overtime limit for individual sworn employees of 20 percent of regularly scheduled hours.

3.4.2 More closely monitor overtime earnings by civilian employees in order to ensure that individuals do not exceed the current overtime limit of 16 percent of regularly scheduled hours.

Costs and Benefits

There would be no cost to implement the recommendations.

By establishing overtime limits, the likelihood of police officer fatigue would be reduced, and police officer and public safety would be enhanced. Additionally, potentially unnecessary overtime would be eliminated.

Establishing and enforcing individual overtime limits could also result in a reduction in overtime expenditures. A modest two percent reduction in General Fund overtime expenditures would amount to a $220,000 savings annually.

3.5 Overtime Policies and Practices

- **The Police Department has many policies and practices that result in a higher use of overtime than is necessary given current practices in other City departments, other jurisdictions, and Federal Fair Labor Standard Act (FLSA) provisions.**
- **Police Officers who work on their regular days off to provide police coverage for special events are customarily paid ten hours of overtime, even if less than ten hours are worked.**
- **Commanding officers cannot change a police officer's schedule more than three hours to staff a special event or to attend court while on-duty, increasing the probability that overtime will be paid.**
- **Upper level managers are currently entitled to receive overtime wages for extra hours worked. In fact, 13 high ranked sworn employees, including the ranks of Captain and Commander individually earned between $9,750 and $34,000 in overtime pay each in CY 1995.**
- **Although not required by the Fair Labor Standards Act, officers are often paid overtime wages on the same day or in the same week during which they take leaves of absence.**
- **Police Department management should meet and confer with the Police Officers Association (POA) to revise or eliminate the policies and practices identified above. If fully implemented, the recommended changes included in this section would result in significant overtime savings of up to $1,957,200 per year, and a reduction in the amount of compensatory time-off currently being earned by officers.**

During our review of police overtime expenditures, we identified several policies and practices which reduce the efficiency and cost effectiveness of the Police Department. These policies and practices, which are described in further detail below, include: (1) paying police officers ten hours of overtime when working special events on their regularly scheduled days off, regardless of the actual number of hours worked; (2) limiting the authority of commanding officers when changing a police officer's schedule; (3) paying overtime to individuals at the rank of captain and above; and, (4) paying overtime wages on the same day or during the same week that a police officer takes leave.

Working Special Events on Regularly Scheduled Day Off

General Order Section 11.01 states that the Chief may suspend regularly scheduled days off for police officers. If required to work on their regularly scheduled day off, police officers are then entitled to receive overtime. In practice, police officers who are required to work on their days off for the purpose of policing a special event are often authorized to receive ten hours of pay at the overtime rate, regardless of the number of hours actually worked.

In order to determine the potential cost of this practice to the Department, we analyzed a random sample of police officer attendance and overtime records at the ten district stations for four pay periods in CY 1995. As a result of this review, we identified 285 canceled days off for which ten hours of EWW overtime pay were paid, regardless of the actual number of hours worked. On an annual basis, this pattern of usage would be equivalent to approximately 1,860 days per year, or 18,600 overtime hours, assuming the ten hour minimum overtime payment made by the Department.

However, the Department does not maintain sufficient detail on the actual number of hours worked by police officers when assigned to special events on their regularly scheduled day off. Accordingly, we could not determine the number of hours paid but not worked when compiling data from this sample.

According to Police Department personnel, in general, an officer is called in to work on his or her day off to police a special event only if that officer is needed for at least a few hours. Accordingly, assuming that police officers worked half of the overtime hours estimated based on our sample, this would mean that the Police Department paid $358,050 in excessive overtime expenditures for 9,300 overtime hours that were reported but not actually worked (9,300 hours x $38.50 per hour). If less than half of the 18,600 overtime hours were worked, the Police Department may have paid up to $716,100 in excessive overtime expenditures for overtime hours that were reported but not actually worked (18,600 hours x $38.50 per hour).

If either a maximum of six hours of overtime, or the number of overtime hours actually worked, whichever is greater, was paid for each canceled day off, the number of paid EWW overtime hours would have been reduced from 18,600 hours to 11,160 hours (six hours per day x 1,860 days), or a reduction of up to 7,440 hours of EWW overtime. At the average overtime rate of $38.50 per hour, this would generate savings of up to $286,440 in EWW overtime per year (7,440 hours x $38.50 per hour). It should be noted that the actual savings resulting from implementing this recommendation could be less, depending on the number of overtime hours actually worked on canceled days off.

Changing Schedules to Reduce the Payment of Overtime

The MOU currently states that an officer's regular watch shall not be changed by more than three hours to avoid the payment of overtime when policing a special event. For example, if an officer whose regularly scheduled hours are from 6 AM to 4 PM is needed to police a special event occurring between 4 PM and 7 PM, that officer's shift could be changed by three hours (to a 9 AM to 7 PM shift) in order to avoid the payment of special event overtime. In practice, the Department also applies this rule to other types of overtime, such as court overtime. Thus, an officer's shift will not be changed more than three hours in order to avoid the payment of court overtime.

This practice limits the extent to which the Department can reassign on-duty personnel from their regular watch in order to staff a special event or to attend court while on-duty. Extending this limit from three hours to five hours would provide commanding officers with greater flexibility for assigning officers to cover special events and would reduce overtime expenditures. If, for example, court overtime requests could be reduced from the current average of three hours to two hours per request, court overtime hours could be reduced by an estimated 4,222 hours per year, for an annual savings of approximately $162,547 in court overtime expenditures.

Additionally, the Department could also realize savings in EWW overtime by implementing this recommendation. However, because data is not available on the extent to which EWW overtime is incurred because of this overtime policy, the amount of potential savings in EWW overtime expenditures cannot be determined at this time.

Overtime for Higher Ranked Sworn Officers

Under the General Order Manual, the Department's senior management (i.e., sworn employees with the rank of captain, commander, deputy chief, assistant chief and chief) are currently entitled to receive overtime wages. In fact, the January 1996 Controller's report on the City's top overtime earners included 11 captains and two commanders on the list of employees who earned in excess of ten percent of their total wages in overtime, resulting in $274,371 in overtime expenditures during CY 1995 just for these 13 employees. Moreover, of these 13 employees, seven worked in excess of 16 percent of their regularly scheduled hours in overtime, resulting in individual overtime wages of up to $34,000 per year. Based on a report from the Controller's Office, 5,441 overtime hours were incurred by high ranked sworn employees in FY 1995-96, resulting in annual overtime expenditures for these employees of $321,220.

As senior managers, these employees are not held to specific work schedules and should not be treated as hourly employees. Any overtime work required of such

employees is already reflected in their high annual salaries. In other City departments, high level management or administrative positions (classified as "Z" employees by the Human Resources Department) are exempt from the payment of overtime wages. Moreover, in a survey of ten other California police departments[1], the Budget Analyst found none of the police departments surveyed paid overtime to ranks above Captain and that only two of the ten police departments paid overtime to Captains. In addition, eliminating overtime for these high ranks would set an example for lower ranks and would increase scrutiny of overtime use by officers of lower rank.

The Budget Analyst recommends that SFPD and Human Resources work with the Police Officer's Association to eliminate overtime pay for sworn members of the Police Department with the rank of captain and above. This would be more consistent with practices in other City departments and those in other police agencies, and would result in savings in overtime expenditures of $321,220 annually.

Policies Regarding Overtime Compensation

Overtime and Leave in the Same Week

The Fair Labor Standards Act (FLSA) requires the payment of overtime at 1.5 times the employee's straight time rate of pay to all non-exempt employees (under the rank of lieutenant) for work done in excess of 40 hours of work per week. Our research of case law regarding overtime compensation indicates that any hours of leave for illness or vacation should not be included in computation of the number of hours worked, when determining overtime compensation for an individual employee. Additionally, FLSA case law defines a work week as a week during which work is performed, and hence overtime compensation cannot be recovered in a week during which an employee is on vacation and has performed no work for the employer.

According to the Employee Relations Division of the Human Resources Department, the FLSA establishes the minimum requirement which must be met by employers with regard to overtime compensation. Any provisions which exceed this minimum requirement are at the discretion of the City and are included in the Charter, MOUs, and/or in administrative policy manuals.

The Charter establishes the basic week of service for sworn employees at 40 hours and provides that, for service performed in excess of the basic week of service, the

[1] The police agencies surveyed include Alameda, Fremont, Fresno, Long Beach, Los Angeles, Oakland, Sacramento, San Diego, San Jose and Santa Rosa. Only San Jose and Oakland paid overtime to Captains and none paid overtime to ranks above Captain. The City of Long Beach has no Captain rank, and pays no overtime to the ranks of Commander and above. The survey addressed overtime payment and did not compare total compensation for these jurisdictions.

employee shall be compensated at the rate of time and one-half. Additionally, pursuant to General Order Manual Section 11.01, San Francisco police officers are entitled to overtime compensation for any work performed in excess of a normally scheduled work week (40 hours) or a normal watch (eight or ten hours per day). Thus, a police officer who is paid for 40 hours a week is paid at the overtime rate for any additional hours worked beyond his or her regularly scheduled hours for one day, even if he or she takes time off during that week and actually works less than 40 hours. For example, a patrol officer who takes a compensatory day off, thereby reducing his or her actual work time from 40 hours to 30 hours, is compensated at the overtime rate if he or she works an additional shift on another day during that same week.

In a random sample of attendance and overtime records for four pay periods during CY 1995 for 529 sworn employees of all ranks throughout the Police Department, the Budget Analyst identified 755 instances in which officers took authorized leave and received overtime wages during the same seven day period. These employees were paid an annualized estimate of $5,243,366 in overtime wages for an estimated 131,511 overtime hours worked. If the number of hours of leave had been deducted from the normal work week of 40 hours, these employees would have been paid at the overtime rate for only 36,711 of these 131,511 hours. The remaining 94,800 hours would have been paid at the straight time rate. If the Police Department had paid for these 94,800 hours at the straight time rate of pay, and for the remaining 36,711 hours at the overtime rate of pay, as is authorized by the FLSA, annualized expenditures would have been $3,981,991, or $1,261,375 less than the estimated expenditures of $5,243,366.

Furthermore, in the same sample, the Budget Analyst identified a number of instances when officers took authorized leave and accrued compensatory time off (in lieu of overtime wages) during the same seven day period. On an annualized basis, these employees accrued an estimated 35,189 compensatory hours at the rate of 1.5 times the number of overtime hours worked (23,459.1 hours). If the number of hours of leave had been deducted from the normal work week of 40 hours, these employees would have accrued only 27,341 hours of compensatory time off (15,695 hours at the straight time rate plus 11,646 hours at the rate of 1.5 times the 7,764 hours of actual overtime worked), or a reduction of 7,848 hours of compensatory time. This reduction in accrued compensatory time off would result in fewer leave days taken throughout the Police Department, and would be equivalent to the addition of nearly five sworn employees at no additional cost to the Department.

One option would be to amend General Order Section 11.01 to prohibit sworn employees from receiving overtime wages at the rate of 1.5 times the straight time rate of pay for extra hours worked beyond a regular shift in a seven day period during which authorized leave is taken. Thus, any extra hours worked during that seven day period would be compensated at the straight time rate. This could result in a savings in overtime expenditures of an estimated $1,261,375 per year.

According to the Employee Relations Division of the Department of Human Resources, the City is moving towards the objective of excluding hours of leave in the computation of number of hours worked, when determining overtime compensation for an individual employee. The Employee Relations Division advises that there are several existing MOUs which now include provisions that determine overtime compensation based on the number of hours actually worked.

Another option would be to extend the work week for sworn employees to an amount higher than 40 hours per week. According to the Employee Relations Division, the FLSA authorizes jurisdictions to expand the work week for public safety officers, who in many cases work an average of more than 40 hours per week. The Employee Relations Division advises that the City has thus far reached agreement with one labor organization representing probation officers to extend their work week to 43 hours per week. If the work week for sworn members of the Police Department were extended to 43 hours per week, this would provide an additional 318,524 hours of police services to the City, based on approximately 2,034 officers scheduled to work an additional 156.6 hours per year. Although it is likely that extending the work week for sworn employees would result in a reduction in overtime expenditures, the amount of such a reduction cannot be estimated at this time.

Overtime and Leave on the Same Day

While Section 11.01 of the General Order Manual prohibits an officer from receiving overtime wages during hours of paid sick leave, vacation leave, compensatory time off, floating holidays and disability leave, this does not necessarily prevent the practice of taking leave and receiving overtime wages on the same day. The Budget Analyst identified 102 instances at the district stations in which officers took authorized leave and received overtime wages on the same day. For example, one officer took two hours of compensatory time off during his regular shift, but then received overtime wages at the rate of 1.5 times the straight time rate of pay for four additional hours worked beyond his regular shift on that same day. Similarly, we identified many instances where officers took an entire day off and received overtime wages on the same day.

In some instances, this practice may have occurred because a night watch officer had a mandatory court appearance on a scheduled vacation day and thus incurred involuntary overtime. However, in many cases, the overtime was voluntary (such as EWW overtime). As such, officers could volunteer to work at a special event on a regularly scheduled working day, take that day off as a vacation day, and then receive overtime wages for working at that special event, even though the officer was originally scheduled to work on that day in the first place. Moreover, officers' schedules could be manipulated so that, knowing that a special event was going to take place on a scheduled work day, an officer could have that day changed to a

scheduled day off, and then receive overtime wages for working on that day at the special event.

One reason why this practice may go unnoticed by management is that attendance and overtime records are recorded on separate documents, thereby making it difficult to identify instances when overtime use and authorized leave occur on the same day. Overtime use and absences should be recorded on the same document. Additionally, this practice should be ended by amending General Order Section 11.01 to prohibit officers from working voluntary overtime on days on which authorized leave is taken.

Conclusions

The Police Department has many policies and practices that result in a higher use of overtime than is necessary given current practices in other City departments, other jurisdictions, and Federal Fair Labor Standard Act (FLSA) provisions.

Police Officers who work on their regular days off to provide police coverage for special events are customarily paid ten hours of overtime, even if less than ten hours are worked.

Commanding officers are cannot change a police officer's schedule more than three hours to staff a special event or to attend court while on-duty, increasing the probability that overtime will be paid.

Upper level managers are currently entitled to receive overtime wages for extra hours worked. In fact, 13 high ranked sworn employees individually earned up to $34,000 each in CY 1995.

Although not required by the Fair Labor Standards Act, officers are often paid overtime wages on the same day or in the same week during which they take leaves of absence.

Police Department management should meet and confer with the Police Officers Association (POA) to revise or eliminate the policies and practices identified above. If fully implemented, the recommended changes included in this section would result in significant overtime savings of up to $1,957,200 per year, and a reduction in the amount of compensatory time-off currently being earned by officers.

Recommendations

The Chief of Police should:

3.5.1 Amend General Order Manual Section 11.01 to limit the number of paid overtime hours on canceled days off to six hours, or the number of hours actually worked, whichever is greater.

3.5.2 Meet and confer with the Police Officers Association to extend the current three-hour limit for changing an officer's shift to five hours.

3.5.3 Meet and confer with the Police Officers Association to exclude sworn members of the Police Department with the rank of captain, commander, deputy chief, assistant chief or chief of police from the payment of overtime.

3.5.4 Amend General Order Manual Section 11.01 to provide for the payment of overtime wages for any hours worked in excess of 40 hours of work per week. Any additional hours voluntarily worked beyond a regular shift on the same day or in the same week during which authorized leave is taken should be paid at the straight time rate. Alternatively, the Chief of Police should work with the Police Officers Association to negotiate an extension of the work week for sworn employees to an amount higher than 40 hours per week.

The Deputy Chief of Administration should:

3.5.5 Develop new forms which will allow personnel to record attendance and overtime data on the same document.

3.5.6 Direct that an enhancement to the SFPD's Personnel Scheduling System be developed to track all changes made to police officers' schedules.

Costs and Benefits

There would be no cost to implement these recommendations.

Implementation of the above recommendations would produce the following savings in sworn overtime expenditures, depending on whether such recommendations are implemented independently or in conjunction with other recommendations, as follows:

Recommendation	High Estimated Savings	Low Estimated Savings
Canceled Days Off	$286,440	$286,440
Extending Time Limit for Changing Shifts	162,547	162,547
Eliminating Overtime for High Ranks	321,220	321,220
Overtime and Leave in the Same Week	1,261,375	1,186,993
Cumulative Savings	N/A	$1,957,200

Extending the current limit for changing an officer's shift from three hours to five hours would provide commanding officers with greater flexibility to reassign officers from their regular shifts in order to cover special events or to attend court while on-duty.

Eliminating overtime for higher ranked sworn employees would set an example for lower ranks and would increase scrutiny of overtime usage for officers of lower rank.

A reduction in accrued compensatory time off by 7,848 hours per year would result in fewer absences throughout the Police Department, and would be equivalent to the addition of nearly five sworn employees at no additional cost to the Department.

Recording overtime usage and absences on the same document would make it easier to identify instances when overtime and authorized leave occur on the same day or in the same week.

4. Special Events

Introduction

San Francisco is well known for the hundreds of special events that occur within City limits each year. Such events include street fairs such as the Fillmore and Haight Street Fairs, demonstrations by labor organizations or political groups, athletic events such as Bay to Breakers and the San Francisco Marathon, large celebrations such Cinco de Mayo and Carnaval, parades such as Chinese New Year and the Gay and Lesbian Freedom Day Parade, 49ers and Giants games, and other events such as funerals and dignitary visits. Some of these events last several days while others may last only a couple of hours. The number of people attending special events varies widely also, and can range from a handful of people attending a labor demonstration to 300,000 at the Castro Halloween celebration. Many of the larger events are planned by organizers well in advance (such as Carnaval or Bay to Breakers) or take place on a regular basis (such as Critical Mass), while smaller events such as labor demonstrations or critical incidents often occur with little or no advance notice.

The Police Department is the City agency which is primarily responsible for ensuring that special events take place in a safe and orderly fashion and without too much disturbance to non-participants. This usually involves posting signs, setting up traffic barricades, deploying officers for crowd control on foot, bicycle, horse, motorcycle or other mode of transportation and deploying officers on standby.

We conducted the analysis detailed in this section in order to determine: (a) how much police coverage is provided at each special event; (b) what portion of the cost of providing police coverage at special events is recovered through fee revenue; and (c) what measures can be taken to reduce the cost of providing special event coverage and/or to increase the amount of cost recovery for special event coverage.

4.1 Special Event Deployment

- **Special events impact the operations of the district stations by diverting police officers from their normal duties, and requiring that other police officers work high amounts of overtime on their scheduled days off. For every hour of special events that occurred in FY 1994-95,[1] an average of 38 hours of police coverage were provided by the Police Department.**

- **By requiring that follow-up reports be completed for each special event, the Police Department could ensure that an objective assessment of the level of police coverage provided at each special event takes place, which can be used in the future as the basis for planning special event deployment. Additionally, the amount of both on-duty and overtime officers assigned to providing special event coverage could potentially decline.**

- **Forming a special event unit under Field Operations Headquarters would lessen the drain on district stations resulting from special events and would reduce special event overtime expenditures by at least $927,149 per year.**

Special events impact the operations of the district stations by diverting police officers from their normal duties, and requiring that other police officers work high amounts of overtime on their scheduled days off. This Section of our report examines the use of police officers for special events, and examines alternatives which would be less disruptive to district station operations and provide more consistent availability of police officer staff for special events.

In order to perform this analysis, we requested and received a report from FOB headquarters showing the hours worked and overall cost of all special events at which police officers were deployed in FY 1994-95, broken down by departmental unit. Additionally, we examined event summary reports and samples of operational orders and Police Service Cost Reports, and observed several special events. Using this data, we created a database of special events that occurred in FY 1994-95 (excluding UN 50 events) which included the date, time and duration of each event, the number of on-duty and EWW hours used in policing the event, and the personnel cost for each event.

[1] Because FY 1995-96 data regarding special events was not yet available when we conducted this analysis, data for FY 1994-95 was used.

We examined this data for eac: it in the department and for the department as a whole. For each unit, we addec the number of hours of police coverage devoted to special events, the number pecial event hours and the number of events in order to arrive at measures o: w much police coverage is provided per special event and per special event ho .

Based on our analysis, we foun: at, in FY 1994-95, the Police Department deployed sworn employees at 506 sp: events (excluding UN 50 and Special Law Enforcement Services or SLES e ts). Each event lasted an average of 1.3 days, for a total of 649 special event days. average duration of each event was 8.3 hours or 6.5 hours per event day. The D provided 159,897 hours of police coverage for special events, consisting of 88, on-duty hours and 71,003 overtime hours. This is equivalent to approximately 9: rsonnel devoted to special event coverage on a full-time, annual basis. Of the 96 personnel, approximately 53 employees are diverted from other duties in o: to provide police coverage for special events.

Additionally, we found that for ry hour of special events, an average of 38 hours of police coverage were provide the Police Department, consisting of 21 on-duty hours and 17 overtime hours. every special event covered, an average of 316 hours of police coverage were vided, consisting of 176 on-duty hours and 140 overtime hours. This is equiva to between 32 and 40 police officers per event. The General Fund cost of deplc officers to cover special events was $5,149,719 in FY 1994-95, including on-duty and overtime.

Accordingly, special events pre a significant drain on police resources, especially at the district stations. As note Section 1 of this report, the deployment of on-duty officers from the districts t away from the ability of the districts to provide sufficient staff to perform re police duties, such as responding to calls for service. Furthermore, the ove response of the Police Department to special events seems excessive. There many instances where we observed that there were many more police offic in attendance at a special event than event participants. Moreover, many hese officers are being paid overtime wages. As noted in Section 3 of this repo pecial event coverage is the single largest reason for overtime in the Police Dep ent.

Special Event Planning and anagement

The Police Department usuall ceives sufficient advance notice of most special events in order to be able to pre e a deployment plan for each event (known as an operational order). Operation orders for large, City-wide events are usually prepared by the Special Events nagement Planning Unit (SEMPU) in the Field Operations Bureau (FOB) headc ters, with input from the district(s) in which the event is scheduled to take p . For smaller events which occur within the boundaries of only one district district captains usually prepare the operational

order, which must receive approval from FOB headquarters. An operational order consists of the following elements:

- A description of the event, including the date, time, location and estimated attendance, and an assessment of the nature of the event, such as whether certain types of crime can be expected to increase during the event, whether there is a potential for gang activity, whether alcoholic beverages will be consumed, etc.;

- A mission statement;

- An execution plan, including a schedule for the deployment of on-duty, off-duty and back-up personnel from the district stations, the Traffic Company, the Crime Prevention Company, the MUNI Transit Company and other units, as needed, and the assignment of specific duties to each unit. In addition, if the event sponsor plans to utilize event monitors on a volunteer basis (unarmed civilians), the operational order provides a description of the number of monitors and the type of uniform to be worn by the monitors;

- A section on administration, including the type of uniform and equipment needed, and details regarding the submission of Police Service Cost Reports; and,

- A section regarding command, control and communications requirements.

Each unit which deploys officers at a special event is required to submit a Police Service Cost Report to FOB headquarters as soon as possible after the event. The Police Service Cost Report shows the ranks and the names of officers deployed, the number of hours worked, whether officers were on-duty or were paid Extended Work Week (EWW) overtime, and the total estimated cost to provide police coverage for that special event.

According to FOB headquarters, the determination of how many on-duty and overtime officers should be deployed at a special event is based largely on the SFPD's past experience with that event. Thus, FOB will build off records showing the amount and type of coverage provided for a certain event on prior occasions. If, for example, there was a violent incident at an event in one year, the Police Department is likely to provide more police coverage in the following year. For new events, the Department determines the amount and type of coverage to provide based on records for similar types of events. According to FOB managers, it is preferable to err on the side of providing too much police coverage rather than not enough.

Deployment plans for special events are therefore based primarily on historical experience and on the personal judgment of individual commanding officers. However, no systematic evaluation takes place following each special event to assess whether too little or too much police coverage may have been provided. Rather, in

determining the level of police coverage to be provided at a special event, commanding officers at least maintain the same level as in the past.

With the objective of reducing (a) the amount of time taken away from regular police duties necessitated by providing police coverage for special events (such as responding to calls for service), and (b) the level of special event overtime expenditures incurred, the San Francisco Police Department should require that commanding officers complete follow-up reports in order to evaluate the level of police coverage provided at each special event. Such reports should include the following information:

1. the date, time and duration of the event;

2. the estimated attendance;

3. the number of on-duty and on overtime officers deployed;

4. the number of hours of staff time incurred, including on-duty time and overtime, and the total cost to the Department;

The Field Operations Bureau should also record any other information related to the event that may prove useful in planning coverage for that event, if and when it recurs, and/or for similar types of events that have not taken place before and for which there is no deployment history.

In order to perform the assessment of the level of special event coverage provided at each event, the Field Operations Bureau should establish criteria and standards against which the level of police coverage can be measured, and which can be used as a basis to recommend the appropriate level of coverage for the event if it recurs. For example, some possible criteria could be whether (a) the crowd appeared to be relatively quiet and/or untroublesome, (b) there was little or no increase in crime activity, and/or (c) there was a small number of event participants relative to the number of officers deployed, all of which would indicate that a reduction in the level of on-site police coverage may be warranted if and when the special event recurs.

By requiring that follow-up reports be completed for each special event, the Police Department could ensure that an objective assessment of the level of police coverage provided at each special event takes place, which can be used as the basis

for planning deployment for that event when it recurs and for other similar types of events. Additionally, the amount of both on-duty and overtime dedicated to providing special event coverage could potentially decline if, for example, based on the criteria established by FOB, a commanding officer is able to determine that the current level of police coverage provided for a particular special event may be excessive and could be reduced when the event recurs. As such, on-duty patrol officers would have additional time to devote to their regular duties, such as responding to calls for service, and special event overtime expenditures would decline.

The Formation of a Special Event Unit

Special Event Coverage by the District Stations

During our interviews with district captains, several captains identified special event coverage as one of the major factors which impacts available staffing at the district stations. As noted in Section I of this report, we found that the diversion of on-duty police personnel from their regular duties at the district stations is particularly burdensome on weekends, when there is an increase in the number of calls for service. In fact, 22 percent of on-duty special event coverage occurs on Saturdays and Sundays. As a result, there are fewer staff available to respond to the higher number of calls for service on weekends.

Overall, our analysis demonstrated that officers from district stations were deployed at 338 special events in FY 1994-95. These events included parades, street fairs, demonstrations and other similar type events. The Southern, Northern and Central Districts provided the most on-duty police coverage for special events since most special events occurred in these three districts. The ten districts provided 24,763 on-duty hours and 41,046.5 overtime hours, or a total of 65,809.5 hours of police coverage for special events during FY 1994-95. This is equivalent to approximately 39 personnel devoted to special event coverage on a full-time, annual basis. Of these 39 personnel, approximately 15 employees are diverted from their regular duties at the district stations on a full-time basis.

Additionally, for every hour of special events, an average of 18.5 hours of police coverage were provided by the districts, consisting of seven on-duty hours and 11.5 overtime hours. For every special event covered by the districts, an average of 194 hours of police coverage were provided, consisting of 73 on-duty hours and 121 overtime hours. This is equivalent to more than 19 police officers per event. The General Fund cost of deploying officers from the districts to cover special events was $2,256,282 in FY 1994-95, including overtime and on-duty time.

Special Event Coverage by the Special Operations Division

Officers from the Special Operations Division (SOD), which consists of the Crime Prevention Company, MUNI Transit Company, the Housing Detail and the Traffic Company, were deployed at 345 special events in FY 1994-95. These events included the same types of events at which officers from the district stations are detailed, in addition to sporting events at 3 Com Park, critical incidents and funeral processions. The Crime Prevention Company, which consists of the Tactical Unit, the Mounted Unit, the Canine Unit, the Honda Unit (beach and park patrol), the Bomb Squad, and the Traffic Company, which includes the Solo Unit (motorcycles), provided the most police coverage for special events within SOD.

Overall, our analysis demonstrated that the SOD provided 60,885 on-duty hours and 24,142.5 overtime hours, or a total of 85,027.5 hours of police coverage for special events during FY 1994-95. This is equivalent to approximately 51 personnel devoted to special event coverage on a full-time, annual basis. Of these 51 personnel, approximately 36 employees are diverted from other duties at SOD.

Additionally, for every hour of special events, an average of 35 hours of police coverage were provided by SOD personnel, consisting of 25 on-duty hours and 10 overtime hours. For every special event covered by SOD, an average of 246 hours of police coverage were provided, consisting of 176 on-duty hours and 70 overtime hours. This is equivalent to approximately 31 police officers per event. The General Fund cost of deploying officers from SOD to cover special events was $2,583,744 in FY 1994-95, including overtime and on-duty time.

As with the district stations, most police coverage for special events was provided on weekends by the SOD. The two days with highest amount of on-duty police coverage for special events were Saturday and Sunday, while the day with the lowest amount of on-duty police coverage was Thursday. This may be because many events, such as football and baseball games, street fairs, parades and other types of events typically covered by SOD units, tend to occur on weekends. Additionally, relatively less overtime is utilized per special event by SOD personnel than by officers from the districts.

Based on the approximately 246 sworn employees assigned to SOD units as of February, 1996, the estimated number of on-duty hours worked per year is approximately 410,820 hours (based on average of 1,670 hours per year per officer). However, only 15 percent, or 60,885 of these 410,820 hours were used to provide special event coverage, although special event coverage is considered to be one of the major responsibilities of SOD units. According to SOD personnel, SOD personnel also spend a significant amount of time in training and on targeted enforcement activities.

Creating a Special Events Unit under Field Operations Headquarters

The SFPD should consider consolidating police coverage of special events by creating one unit of officers under Field Operations Headquarters which would be scheduled to provide on-duty coverage for special events during the periods when special events add significantly to the Department's workload. This unit could provide police coverage for special events currently covered by both the district stations and the Special Operations Division, thereby significantly reducing the district stations' workload.

We found that the district stations and SOD provide between 228 and 705 hours of special event coverage per day (including on-duty time and overtime). As such, 228 hours would be the minimum or threshold amount of special event coverage required on any given day, or the equivalent of 23 ten-hour shifts per day. Taking officer absenteeism into account, a minimum of 28 officers per day would be needed to provide this threshold amount of special event coverage.

We also found that Tuesdays, Wednesdays and Thursdays are the days on which relatively less special event coverage is needed (between 228 and 258 hours per day). Fridays, Saturdays, Sundays and Mondays are the days on which relatively more special event coverage is needed (between 349 and 705 hours per day). Thus, more than the threshold amount of 28 staff would be needed to provide special event coverage on weekends.

One option would be to create a special event unit consisting of five groups, each containing 14 officers assigned to a 4/10 schedule (four, ten-hour shifts per week), for a total of 70 officers assigned to this unit. Using staggered shifts, two of the five 14-officer groups, for a total of 28 officers, could be assigned to work Monday through Thursday to provide the threshold amount of 228 hours of special event coverage on those days. In order to provide additional special event coverage beyond the 228 on-duty hours per day, the Police Department could reassign other on-duty SOD personnel from their regular duties, deploy on-duty officers from the district stations or deploy officers on overtime.

The remaining three 14-officer groups would be assigned to work on Friday, Saturday, Sunday and Monday[2], for a total of 42 officers per day. These three groups would provide up to 336 hours of special event coverage per day (42 officers scheduled to work, times ten hours per shift, times a productivity factor of 80 percent). In order to provide additional special event coverage beyond the 336 on-

[2] Since Monday would be an overlap day, all five groups would be assigned to work, for a total of 70 officers working on Mondays. However, based on our special event analysis, we found that only 54 officers would actually be needed on Mondays. Accordingly, the surplus of 16 officers could be assigned to other duties or to training on Mondays.

duty hours, the Police Department could reassign other on-duty SOD personnel from their regular duties, deploy on-duty officers from the district stations or deploy officers on overtime.

In order to allow all officers assigned to this special event unit to have occasional weekend days off, the five groups could rotate their days off after a fixed period, such as every two months, as recommended in Section 1 of this report.

Based on our analysis of the number of on-duty and overtime special event hours incurred by day of week, we found that, if the Police Department created an on-duty special event unit in accordance with our recommendation above, special event overtime usage could decline by at least 24,082 hours per year, for an annual savings of $927,149 (24,082 hours times the average hourly overtime rate of $38.50). The staff of 70 officers for this unit could be created by (a) reassigning at least 36 officers, which is equivalent to the number of officers who currently provide on-duty special event coverage on a full-time basis and assigned to Field Operations Bureau Headquarters; and (b) reassigning 34 additional SOD staff and/or a portion of other officers who would be replaced by a portion of the 190 police recruits who recently completed field training to this unit.

The creation of a special event unit would also result in a significant reduction in the number of on-duty hours devoted by district police officers to special event coverage, thereby allowing them to dedicate more time to perform their regular police duties, such as responding to calls for service. Moreover, if the Police Department is able to reduce the significant number of hours (both on-duty time and overtime) dedicated to providing special event coverage by implementing our recommendation to require the completion of follow-up reports for each special event, somewhat less than the 70 officers recommended here would be needed to create a special event unit.

Conclusions

Special events impact the operations of the district stations by diverting police officers from their normal duties, and requiring that other police officers work high amounts of overtime on their scheduled days off. For every hour of special events that occurred in FY 1994-95,[3] an average of 38 hours of police coverage were provided by the Police Department.

By requiring that follow-up reports be completed for each special event, the Police Department could ensure that an objective assessment of the level of police coverage provided at each special event takes place, which can be used in the future

[3] Because FY 1995-96 data regarding special events was not yet available when we conducted this analysis, data for FY 1994-95 was used.

as the basis for planning special event deployment. Additionally, the amount of both on-duty and overtime officers assigned to providing special event coverage could potentially decline.

Forming a special event unit under Field Operations Bureau Headquarters would lessen the drain on district stations resulting from special events and would reduce special event overtime expenditures by at least $927,149 per year.

Recommendations

The Deputy Chief of Field Operations should:

4.1.1 Develop a special event evaluation form which includes criteria and standards against which the level of police coverage provided for each special event can be measured.

4.1.2 With the objective of reducing the amount of special event coverage provided by the Police Department, implement a new policy requiring that commanding officers complete an evaluation form for each special event for which police coverage is provided.

4.1.3 Create a unit of officers under Field Operations Bureau Headquarters which is scheduled to provide special event coverage on a full-time basis.

Costs and Benefits

There would be no costs associated with implementing the recommendations contained in this section.

By requiring that follow-up reports be completed for each special event, the Police Department could ensure that an objective assessment of the level of police coverage provided at each special event takes place. These assessments can be used in the future as the basis for planning special event deployment. Additionally, the amount of both on-duty and overtime officers assigned to provide special event coverage could potentially decline.

Forming a special event unit under Field Operations Headquarters would lessen the drain on district stations resulting from special events and would reduce special event overtime expenditures by at least $927,149 per year.

4.2 Special Event Cost Recovery

- **According to recently developed reports, the Police Department provided police coverage for 706 special events in FY 1995-96, for a total cost of $7,303,564 to the Police Department. However, the City was reimbursed by outside parties for only $3,157,296, or 43 percent of total costs, resulting in a net cost to the General Fund of $4,146,268.**
- **The Police Department provides police coverage at many special events at little or no cost to the event sponsor. Further, the San Francisco Giants and the 49ers pay only 31 percent of the cost of providing police coverage at 3 Com Park.**
- **The Police Department has waived the payment of Special Law Enforcement Services (SLES) administrative overhead for certain organizations without proper authority. Additionally, payments received for SLES administrative overhead do not accrue to the General Fund, as is required under the Administrative Code.**
- **The Police Department should prepare a report for the Board of Supervisors containing policy options which could further offset the high cost of providing police coverage at special events.**
- **Additionally SFPD should negotiate with the 49ers and the Giants to improve existing agreements for providing police coverage at sporting events in an effort to increase the level of cost recovery. Such negotiations should take place prior to the opening of the planned Downtown Ballpark and any replacement facility for 3Com Park at Candlestick Point.**
- **Lastly, the Controller's Office should perform a financial audit of the SLES Fund as part of its current review of revolving funds.**
- **Implementation of the policy options in this section would generate additional City revenues of between $503,607 and $1,268,899 per year.**

In FY 1995-96, 706 special events were held each year in the City. However, for many special events, the Police Department provides police coverage at relatively little or no cost to the event sponsor. In FY 1995-96, the Police Department incurred $7,303,564 in expenditures in order to provide police coverage at 706 special events. Of this $7,303,564 cost, only $3,157,296 was collected from event sponsors, resulting in a net cost to the General Fund of $4,146,268. A breakdown of the types of events, the number of hours of police coverage provided, the total cost per event type, collected fees, and the net cost to the General Fund of each type of event is shown in Table 4.2.1 below:

Table 4.2.1

Special Events Costs and Revenues by Event Category
San Francisco Police Department, FY 1995-96

Event Category	No. of Events	No. of Hours of Police Coverage Provided	Total Cost	Revenues Collected	Net General Fund Cost
Athletic Events	15	2,784	$107,789	$199,416	($91,627) [a]
Baseball Games	86	21,190	790,011	165,685	624,326
Celebrations	83	19,415	774,548	0	774,548
Demonstrations	243	25,105	935,042	0	935,042
Dignitary Protection	35	11,695	448,754	0	448,754
Football Games	11	8,598	315,350	174,385	140,965
Parades	24	13,794	515,966	0	515,966
Special Assignments	181	62,111	2,820,678	2,573,420	247,258
Street Fairs	28	15,580	595,426	44,390	551,036
Total	706	180,272	$7,303,564	$3,157,296	$4,146,268

(a) Because revenues are accounted for on a cash basis, they exceed expenditures in FY 1995-96, due to the delay in collecting revenues from the previous fiscal year.

Existing Mechanisms for Special Event Cost Recovery

As reflected in Table 4.2.1 above, the Police Department tracks special event costs for nine distinct categories of events, yet only a portion of the Department's total costs are reimbursable under existing City regulations. The existing regulations which authorize the Police Department to recover its costs of providing special event coverage are described in further detail below.

Athletic Events

San Francisco Administrative Code Sections 2.75-1 through 2.75-5 govern the cost recovery procedures for athletic events. Under these sections, the Department is authorized to collect 100 percent of its costs associated with such events, such as Bay to Breakers, the San Francisco Marathon, Bridge to Bridge 5K & 10K Walk/Run, and 12 other annual events.

Parades and Celebrations

San Francisco Police Code Sections 366 through 379 contain provisions related to Police Department cost recovery for parades. According to the Police Department's Special Events Management and Planning Unit (SEMPU), because parades represent cultural statements akin to First Amendment expressions, police coverage is provided for each parade at no cost to the parade sponsor.

However, SEMPU further advises that parades should be distinguished from celebrations, which are often held concurrent with or following parades. Examples include concerts; the Independence Day, Halloween and New Year's Day celebrations; grand openings; festivals; and, other events. Celebrations are often sponsored by organizations with non-profit status, and they typically generate significant revenues through concession sales. However, the Police Department is not authorized to obtain cost recovery for police coverage provided at celebrations.

Street Fairs

Under Administrative Code Section 2.70-6, the City is authorized to collect fees for the temporary use of streets for street fairs. A street fair is defined as "any social or community event . . . in which any group of persons convenes to celebrate their community or neighborhood on any street in the City." Street fairs are therefore distinct from "celebrations" since the Police Department is authorized to obtain cost recovery for services that are provided.

An organization which desires to hold a street fair is required to file an application with the Director of the Interdepartmental Staff Committee on Traffic and Transportation (ISCOTT), which consists of members of the Department of Parking and Traffic, the Department of Public Works, the Police Department, the Fire Department, the Department of Public Health, Municipal Railway and the Department of City Planning. Upon reviewing an application, ISCOTT is authorized to charge the sponsoring organization various fees, based on the types of activities which are planned for the street fair and the services to be provided by the City. Such fees may consist of application fees; permit fees for the use of fireworks, the sale of food and beverages and/or other activities; Fire Department inspection fees; MUNI fees to divert vehicles to alternate routes; and, Police Department fees. The fee charged on behalf of the Police Department is limited to 40 percent of the Police Department's projected costs, or $2,500, whichever is less. All fees collected by ISCOTT are deposited into the General Fund.

Additionally, ISCOTT may waive all or part of the Police Department fee upon a demonstration by the event sponsor that it is unable to pay the full fee. If the sponsor's request is denied by ISCOTT, the sponsor may file an appeal with the Board of Supervisors. In FY 1995-96, four event sponsors were granted fee waivers by either ISCOTT or the Board of Supervisors.

In FY 1995-96, ISCOTT collected $44,390 in fees on behalf of the Police Department for the 28 street fairs held during that year. However, the Police Department's actual expenditures incurred to provide police services for those 28 fairs were $595,426 in FY 1995-96, or $551,036 more than the $44,390 which was collected in fee revenue (12.4 times more than the amount collected by ISCOTT). The actual cost per street fair ranged from $661 for the Visitation Valley Festival to $145,925 for Carnaval. Although the average cost per street fair was $21,265, an average of only $1,585 was collected for each fair.

Special Law Enforcement Services (SLES)

SLES funds are received under Section 10B of the Administrative Code from persons or agencies who pay time and one-half plus 22.6 percent for administrative overhead to have off-duty police officers deployed at certain types of events, such as Giants and 49ers games, movie productions, construction projects, sign postings and other events. Under the Administrative Code, all SLES funds are to be deposited in a restricted fund (the SLES fund), with the exception of the 22.6 percent amount for administrative overhead, which is to be deposited into the General Fund. SLES is distinct from Extended Work Week (EWW) overtime because EWW overtime is paid for with the General Fund, while SLES costs are paid with outside funding sources.

In FY 1995-96, the Department collected $3,112,906 in SLES payments (including the 22.6 percent for administrative overhead). However, the Police Department has waived the payment of SLES administrative overhead for several organizations, such as movie production companies, without proper authority. Additionally, none of the SLES administrative overhead payments received by the Police Department have been deposited into the General Fund, as is required under the Administrative Code. These funds have instead been retained by the Police Department in the SLES fund. The Police Department argues that by retaining the overhead payments in the SLES fund, cash flow problems are averted. Based on the total amount of SLES payments received by the SFPD in FY 1995-96, the amount of overhead retained in the SLES fund could be as much as $703,517, but is probably less because the Police Department inappropriately waived the overhead charges to some organizations. As described below, the Controller should conduct an audit of the SLES fund to determine the total amount due to the general fund for overhead payments which have been retained by the Police Department.

Furthermore, even though SLES funds are intended to recover the entire cost of providing police coverage for a particular event, the actual cost of providing police coverage is in many cases higher than the amount collected. For example, each year the Police Department reaches separate agreements with the San Francisco Giants and the San Francisco 49ers regarding the level of police coverage to be provided at each baseball and football game, respectively.[1] Under these Memorandums of Understanding (MOU), these two teams are also not required to pay administrative overhead, as is required of other private or non-profit organizations which utilize SLES services. Moreover, each team is only required to pay for police coverage that is provided inside the stadium. Thus, the cost of providing police coverage on game days outside the stadium (in parking lots and on nearby streets) is absorbed by the General Fund. In FY 1995-96, the Police Department provided 29,788 hours of police coverage for 97 sporting events at 3 Com Park, including 86 baseball games and 11 football games. The total cost of providing police coverage for these 97 games both inside and outside the stadium was $1,105,361. Of this amount, only $340,069 or 31 percent was paid for with SLES funds received from the Giants and the 49ers. This amount represented the cost of SLES services inside the stadium during athletic events. The remaining $765,292 in expenditures were paid by the General Fund.

Opportunities for Improving Special Event Cost Recovery

Given the large disparity in revenues collected for special events relative to the actual cost of providing police coverage for those events, the Board of Supervisors may wish to consider amending the Administrative Code to expand and/or increase the fees currently charged for police coverage of special events.

SEMPU is currently developing various proposals to increase the level of special event cost recovery for the Police Department. The Police Department should prepare a report for the Board of Supervisors which outlines these proposals in detail. Based on our discussions with the Police Department regarding their preliminary proposals, this report might include the following policy options:

- Section 2.70-6 of the Administrative Code could be expanded to authorize the Police Department to obtain cost recovery for celebrations in addition to street fairs.

- Section 2.70-6 could be amended to remove the current limit of $2,500 per street fair, thereby permitting the Police Department to collect 40 percent of its cost to provide police coverage at street fairs.

  As previously noted, the cost of providing police coverage at street fairs was $595,426 in FY 1995-96, or $551,036 more than the $44,390 which was collected

[1] According to SEMPU, these agreements do not receive or require approval by the Board of Supervisors.

in fee revenue. If the limit of $2,500 per street fair were removed from Administrative Code Section 2.70-6, the Police Department could collect up to 40 percent or an average of $8,506 per street fair (40 percent of the current average cost per street fair of $21,265), an increase of $6,921 from the current amount collected of $1,585 per street fair. This would result in additional revenue of approximately $193,788 per year for cost recovery for street fairs ($6,921 per fair x 28 street fairs per year).

If Section 2.70-6 were expanded to include celebrations in addition to street fairs, up to an additional $309,819 could be collected on an annual basis as cost recovery for police coverage of celebrations (40 percent of the $774,548 cost of police coverage for celebrations shown in Table 4.2.1). These two changes would result in total additional revenues of $503,607 per year.

- Amend Section 2.70-6 to the Administrative Code to impose an additional fee on event sponsors for the cost to Department of Parking and Traffic (DPT) to provide traffic management services at street fairs and/or celebrations. SEMPU advises that the amount of this fee could be set at 25 percent of the projected costs to provide such services, but not to exceed $2,000 per event.

  SEMPU advises that since the Police Department is currently responsible for providing traffic management services at special events, the cost of this service is absorbed by the Police Department. However, SEMPU advises that the Police Department is currently in the process of negotiating with DPT to transfer the traffic management function to DPT. Thus, the Police Department's overall cost to provide coverage at special events would decline and DPT's cost would increase. SEMPU further advises that imposing this additional fee would permit DPT to obtain cost recovery for providing traffic management services at street fairs and/or celebrations once this function is transferred to DPT.

- The Administrative Code also could be amended to permit the Police Department to obtain full cost recovery for deploying and retrieving barricades at special events. SEMPU advises that, under current practice, event sponsors are charged for this service only if the event falls into one of the categories for which partial or full cost recovery is currently authorized under the Administrative Code, such as street fairs, athletic event or SLES events.

SEMPU advises that, if either the Police Department or the event sponsor determined that the deployment of barricades was necessary, the event sponsor could have the option of (a) paying the SFPD its full cost to deploy and retrieve the barricades; (b) pay the SFPD to rent the barricades while assuming the responsibility for deploying and retrieving the barricades; or (c) obtaining and deploying barricades through the private sector, so long as the number and locations of the barricades meet SFPD specifications.

As of the writing of this report, the Police Department was unable to provide an estimate of the potential increase in revenues resulting from implementing the above policy options. However, as noted above, the estimated increase in revenues resulting from amending Administrative Code Section 2.70-6 to remove the existing $2,500 limit on cost recovery for street fairs and to impose a fee for cost recovery of police coverage for celebrations would be approximately $503,607 per year.

Additionally, the Controller's Office should perform a financial audit of the SLES Fund as part of its current review of revolving funds. Such a review could potentially result in additional revenues accruing to the SLES and the General Funds of an undetermined amount.

Lastly, the Police Department should negotiate with the San Francisco 49ers and San Francisco Giants regarding the existing agreements for providing police coverage at sporting events in an effort to increase the level of cost recovery. Such negotiations should take into account the cost of deploying police officers both inside and outside of the stadium and should take place prior to the opening of the planned Downtown Ballpark and any replacement facility for 3Com Park at Candlestick Point. This would result in additional SLES revenues of up to $765,292 per year (equivalent to the $1,105,361 cost of police coverage for football and baseball games less the $340,069 in SLES revenues currently collected by the SFPD).

Conclusions

The Police Department provided police coverage for 706 special events in FY 1995-96, for a total cost of $7,303,564 to the Police Department. However, the City was reimbursed by outside parties for only $3,157,296, or 43 percent of total costs.

The Police Department provides police coverage at many special events at little or no cost to the event sponsor. Further, the San Francisco Giants and the 49ers pay only 31 percent of the cost of providing police coverage at 3 Com Park.

The Police Department has waived the payment of SLES administrative overhead for certain organizations without proper authority. Additionally, payments received for SLES administrative overhead do not accrue to the General Fund, as is required under the Administrative Code.

The Police Department should prepare a report for the Board of Supervisors containing policy options which could further offset the high cost of providing police coverage at special events.

Additionally, the SFPD should negotiate with the 49ers and the Giants regarding the existing agreements for providing police coverage at sporting events in an effort to increase the level of cost recovery.

Lastly, the Controller's Office should perform a financial audit of the SLES Fund as part of its current review of revolving funds.

Implementation of the policy options contained in this section would generate additional revenues to the City of between $503,607 and $1,268,899 per year.

Recommendations

The Chief of Police should:

4.2.1 Direct the Special Events Management and Planning Unit (SEMPU) to work with ISCOTT to prepare a report for the Board of Supervisors which would list various policy options for generating additional revenues in order to further offset the cost of providing police coverage at special events.

4.2.2 Negotiate with the San Francisco 49ers and the San Francisco Giants regarding the existing agreements for providing police coverage at sporting events in an effort to increase the level of cost recovery. Such negotiations should take place prior to the opening of the planned Downtown Ballpark and any replacement facility for 3Com Park at Candlestick Point.

The Board of Supervisors should:

4.2.3 Consider the policy options of (1) modifying the Administrative Code, as described in this report; and, (2) increasing fees for police coverage at professional sporting events held at 3 COM Park.

The Controller should:

4.2.4 Perform a financial audit of the SLES Fund as part of its current review of revolving funds.

Costs and Benefits

There would be no additional cost to implement these recommendations.

Implementation of the policy options described in this report would generate additional revenues which could be used to offset the high cost of providing police coverage at special events. These policy options, if implemented, could result in additional revenues of between $503,607 and $1,268,899 per year to the City.

An audit of the SLES Fund by the Controller's Office could potentially result in additional revenues accruing to the SLES and the General Fund of an undetermined amount.

5. District Station Vehicle Availability

- The San Francisco Police Department had approximately 560 marked and unmarked sedans, vans, wagons, and pick-up trucks in FY 1995-96. Nearly 43 percent, or 240 of these vehicles were assigned to the District Stations.

- A review of district station vehicle inventories indicates that the number of assigned vehicles do not correspond with the district station captains' perceptions of vehicle need or actual use patterns. When vehicle inventories are compared with minimum staffing assignments at the District Stations (e.g., sector car beats, undercover officers, watch supervisors, and command staff), some stations operate with a surplus, while others operate with a deficit of vehicles. Further, it is probable that the reliability of vehicles assigned to each district station varies significantly based on average vehicle mileage and age.

- The Department should implement a standardized vehicle assignment methodology which ensures that police officers at the district stations can work in the most effective manner possible. In addition, vehicle mileage and reliability should be regularly monitored by location to ensure that each district station is able to maintain a vehicle inventory which is appropriate for accomplishing its law enforcement objectives.

This section of our report analyzes management practices related to the allocation of vehicles to the district stations and the impact these allocation decisions have on district operations. Our *Phase 2 Management Audit of the San Francisco Police Department* will examine Department-wide policies and practices related to vehicle acquisition, maintenance, and use.

Vehicle allocations to the bureaus and divisions are generally made by SFPD management based on the needs expressed by the district station captains and commanders of the various special enforcement and administrative units within the Department. After reviewing these requests, historical vehicle assignment practices, and the current number of operable and available vehicles, vehicle assignments are made by management for all bureaus and divisions within the Department. Management decisions to purchase additional or replacement vehicles depend upon the results of this analysis and the annual budget process.

In FY 1995-96, the San Francisco Police Department had an inventory of 560 sedans, vans, wagons, and pick-up trucks which were then allocated to each of the bureaus and divisions within the Department. In July 1996, 240 of these vehicles were assigned to the district stations, as shown below.

Table 5.1

Police Department Vehicles Assigned to the San Francisco Police Department District Stations - July 1996

District	Black & White Marked Sedans	Prisoner Wagons	Unmarked Sedans	Other	Total
Central	21	2	3	0	26
Southern	21	2	5	0	28
Potrero	18	2	4	1	25
Mission	19	2	4	2	27
Northern	21	2	5	1	29
Park	16	1	2	1	20
Richmond	14	1	4	0	19
Ingleside	19	1	4	1	25
Taraval	17	1	6	1	25
Tenderloin	11	1	4	0	16
Total	177	15	41	7	240

We compared this inventory of vehicles with the minimum staffing requirements of each district station, based on interviews with the district captains which were conducted for this study. We made the following assumptions on vehicle need for each district:

- The captains would be assigned one unmarked vehicle on a full-time, 24-hour basis, consistent with current Department practice.

- The lieutenants would be assigned one unmarked vehicle per shift. (The lieutenants generally cover two shifts per day, except in the district that is assigned a rotating responsibility to provide a lieutenant as the City-wide watch commander during the night shift. In that district, lieutenants cover three shifts per day).

- All sergeants assigned as watch commanders would be assigned one vehicle each to provide field supervision of police officers. None of the sergeants assigned to station duty or administrative functions would be assigned a dedicated vehicle.

- All police officers assigned to sector cars during the day shift (those shifts starting before 4:00 PM) would ride alone, requiring one vehicle per officer.

- All police officers assigned to sector cars during the evening or night shifts (those shifts which start by 4:00 PM) would ride with a partner, requiring one vehicle for every two officers.

- One vehicle would be provided for every two plainclothes police officers.

- One vehicle each would be provided for every school car police officer, community officer, and subpoena officer. Officers working other special duties, or on the "captain's staff" would not be assigned a dedicated vehicle.

We applied these assumptions to minimum staffing schedules reported by district station captains to produce a profile of vehicle demand by location. We then compared this demand estimate with the assignment of vehicles to district stations as reported for July 1996, adjusted to show average availability based on vehicle repair duration data received from the Purchasing Department Central Shops. Our analysis shows that although the total number of vehicles assigned to the district stations appears sufficient, there are wide variations in the number of vehicles assigned to individual district stations when compared to need. These variations result in significant surplus vehicles at some locations and insufficient vehicles at other locations. The table on the following page summarizes the results of this analysis.

Vehicle need can be further impacted by factors other than the assignment of officers to regular patrol and enforcement assignments. For example, the Central, Southern, and Northern stations all have what appear to be significant numbers of surplus vehicles when compared with other locations. However, these districts must also respond to the greatest number of special events, which can temporarily impact vehicle need.

The Department also reports that vehicles are often informally loaned between district stations when necessary due to extended repair periods for assigned vehicles and other factors. However, no data is maintained by the Department which clearly illustrates the impact of these informal transfers.

Table 5.2

Availability of Vehicles by District Station
San Francisco Police Department - July 1996

District Station	*Surplus (Deficit)* Black and White Cars and Wagons	Unmarked Cars and Specialty Vehicles	Total
Central	7.1	0.1	7.2
Southern	4.1	2.2	6.3
Northern	2.1	2.2	4.3
Potrero	1.9	0.2	2.2
Taraval	(1.2)	3.3	2.2
Park	3.8	(1.9)	1.9
Mission	(1.0)	1.3	0.3
Richmond	(2.3)	(0.8)	(3.1)
Ingleside	(3.1)	(0.8)	(3.9)
Tenderloin	(3.4)	(0.8)	(4.3)
Total	7.8	5.2	13.0

Variations in Vehicle Reliability

As part of this analysis, we attempted to determine the impact of vehicle reliability on district station operations. However, our ability to conduct this analysis was impacted by two principal factors:

- Neither the Police Department nor Central Shops maintain comprehensive data on vehicle repair activity and costs. Information which is available is not easily retrievable by either vehicle or location; and,

- Data on vehicle "down-time" is not easily retrievable by assignment location.

However, we were able to develop an analysis showing the relative average age and average mileage for vehicles assigned by location. Based on discussions with both Police Department facility and equipment officers and Central Shops personnel, these two factors presently represent the best indicators of overall vehicle reliability for all fleets within the City.

Our analysis shows that many district station locations with vehicle deficits or the lowest number of surplus vehicles often have the oldest fleets, with the highest average number of miles. The detailed results of this analysis are shown below.

Table 5.3

Relative Age and Cumulative Miles
Compared with Availability for District Station Vehicle Fleets
San Francisco Police Department - July 1996

District	Cumulative Vehicle Surplus (Deficit)	Mean Vehicle Age in Years	Average Total Vehicle Miles	Average Annual Vehicle Miles
Central	7.2	4	44,508	11,127
Southern	6.3	5	63,181	12,636
Northern	4.3	5	52,065	10,413
Potrero	2.2	5	59,232	11,846
Taraval	2.2	5	72,084	14,416
Park	1.9	4	47,575	11,893
Mission	0.3	5	52,355	10,471
Richmond	(3.1)	4	61,207	15,301
Ingleside	(3.9)	4	60,451	15,112
Tenderloin	(4.3)	4	38,592	9,648

As shown, the Central District, which has the highest number of surplus vehicles also has:

- A high proportion of late model vehicles;
- The second lowest average total miles by vehicle among all of the district stations; and,
- The fourth lowest number of average annual miles per vehicle.

At the same time, the Richmond and Ingleside districts, which have some of the largest vehicle deficits among the district stations, have a vehicle fleet with some of the highest average total vehicle miles. These two districts also accumulate the highest average number of annual miles per vehicle, suggesting that the vehicles at these locations are generally driven more regularly, and for longer periods and distances. Combined with the deficits in total available vehicles, it is likely that these locations have a more difficult time maintaining sufficient available vehicle equipment for all of their police officers than do other district stations.

Providing for a More Equitable Assignment of Vehicles

Throughout this study, we were advised by many captains, lieutenants, sergeants, and police officers of the general need within the Department for additional vehicles. As mentioned previously, an overall vehicle needs assessment for the Department will be conducted as part of our Phase 2 analysis. However, the results of the analysis conducted for this Phase 1 study indicate that the Department should implement the following recommendations to ensure that an appropriate number of vehicles are equitably distributed among district stations.

- The Chief of Police should ensure that a Department budgeting methodology is developed which systematically recognizes the vehicle needs of each district station, factoring in the specific impacts on vehicle needs caused by the minimum staffing assignments made by the district captains and other commanders.

- With the assistance of Central Shops, the Chief of Police should ensure that a system is developed which provides ongoing monitoring of vehicle reliability and availability by location. Such a system should track such factors as (a) total maintenance costs, segregated by the categories of preventive maintenance, repair, and accident repair by vehicle, vehicle category, and assignment location; and, (b) total "in-shop" repair time by vehicle, vehicle category, maintenance category, and assignment location.

- Based on the analysis of vehicle needs and the monitoring of vehicle reliability described above, vehicle assignments to individual stations should be annually adjusted to provide a more equitable distribution of vehicles by age, total miles and reliability.

In FY 1996-97, the Board of Supervisors authorized funding for an automated vehicle maintenance program which will provide the Police Department with access to maintenance information contained in the Central Shops computer database for SFPD vehicles. The approval of funding for this system provides the Department with an opportunity to develop a program to monitor vehicle reliability which complies with the recommendations contained in this report. Additional analysis required to support comprehensive vehicle assignment planning based on the specific needs of each operating unit can be accomplished using the Department's existing PC computer resources.

It should be noted that the Board of Supervisors also approved funding for lease purchase payments on 55 replacement marked vehicles, two replacement patrol wagons, and 42 replacement unmarked vehicles, for a total of 99 replacement vehicles (17.7 percent of the existing fleet). In addition, the Board approved funding for an additional 35 marked vehicles and one special event truck, increasing the total four-wheel vehicle fleet by 6.4 percent.

Conclusions

The San Francisco Police Department had approximately 560 marked and unmarked sedans, vans, wagons, and pick-up trucks in FY 1995-96. Nearly 43 percent, or 240 of these vehicles were assigned to the District Stations.

A review of district station vehicle inventories indicates that the number of assigned vehicles do not correspond with the district station captains' perceptions of vehicle need or actual use patterns. When vehicle inventories are compared with minimum staffing assignments at the District Stations (e.g., sector car beats, undercover officers, watch supervisors, and command staff), some stations operate with a surplus, while others operate with a deficit of vehicles. Further, it is probable that the reliability of vehicles assigned to each district station varies significantly based on average vehicle mileage and age.

The Department should implement a standardized vehicle assignment methodology which ensures that police officers at the district stations can work in the most effective manner possible. In addition, vehicle mileage and reliability should be regularly monitored by location to ensure that each district station is able to maintain a vehicle inventory which is appropriate for accomplishing its law enforcement objectives.

Recommendations

The Chief of Police should:

5.1 Direct the Deputy Chief of Operations to develop a vehicle assignment plan which considers the impact of district station staffing assignments on vehicle equipment needs;

5.2 Direct the Deputy Chief of Operations to work with the Purchasing Department Central Shops to develop a system which will allow SFPD management to track vehicle repair costs, availability, and reliability, as described in this report.

5.3 Direct the Deputy Chief of Operations to develop a process for annually reallocating vehicle equipment among the district stations based on the vehicle assignment plan, and availability and reliability monitoring processes suggested in recommendations 5.1 and 5.2, above.

Costs and Benefits

There would be no costs to implement these recommendations.

The Police Department would be better able to assess vehicle needs by location within the Department, and distribute available equipment in a more equitable fashion.

6. SFPD Materials and Supplies Purchasing and Inventory Management

- The SFPD is unable to determine the current dollar value of its materials and supplies storeroom inventory, cannot document the last date a physical inventory was completed, does not track its inventory usage, and has no written policies and procedures regarding inventory re-order points.
- SFPD field units are not provided with specific procedures regarding appropriate supply levels and have not been provided with a catalog of supply items available from the central storeroom.
- Supply requisitions are completed by unauthorized persons and no formal policy exists for segregation of ordering and receiving functions.
- The Revolving Fund was used inappropriately as an expedient purchasing method for any material or supplies purchase of $200 or less, including routine supply items purchased by the Property Room that should be procured through City or Department blanket purchase orders.
- Many Revolving Fund purchases were made repeatedly for the same items or from the same vendors, indicating that the Department should develop Department blanket purchase orders or other purchasing arrangements with these vendors.
- The $200 per invoice per day limit was frequently circumvented by placing several smaller orders on separate invoices, or ordering more frequently in amounts costing exactly $200 or less.
- Some purchases made through the Revolving Fund exceeded the $200 per invoice limit (exclusive of tax and shipping charges), and these purchases were approved and paid by the Fiscal Division.
- The Revolving Fund was being used inappropriately to circumvent the centralized supply functions, for the purchase of items that should be procured through the Property Room, or through the MIS Division.
- Improvements to procurement and distribution of inventory and elimination of inappropriate purchasing through the Department's revolving fund would produce total benefits of $264,000 annually

A critical support function for SFPD field operations is the provision of materials and supplies ranging from weapons and ammunition to routine office supplies. The management audit examined this function in detail in order to evaluate the extent to which SFPD units receive sufficient support in a timely and efficient manner.

INTRODUCTION

The Property Division of the San Francisco Police Department (SFPD) is responsible for the following activities:

- Performing inventory management of supplies, which includes ordering, receiving, storing and distributing SFPD supplies from a central stockroom;
- Maintaining recovered property seized as evidence and holding public auctions.

This section of the report will discuss those activities specifically related to SFPD inventory management and will not address evidence or fleet management issues. The SFPD maintains a centralized Property Room which carries and issues all materials and supplies items on a department-wide basis. These inventory items include office supplies, code books, cassette tapes, infectious disease supplies, and various departmental forms and reports. The SFPD Property Room procures these inventory items for the Department in conjunction with the City's Purchasing Department. The annual materials and supplies budget for the Police Department is approximately $3.4 million.

City Procurement Methods

The City's Purchasing Department is responsible for bidding contracts for most of the City's goods and services. By bidding items and consolidating them into large orders, the Purchaser is most likely to procure goods and services for the City at the lowest prices. Certain other items which are used exclusively in law enforcement activities, such as uniforms, are purchased directly through a single vendor. Therefore, the SFPD can procure items either through a City contract which was bid through the Purchasing Department, or directly through a vendor. These procurement methods are summarized as follows:

City Blanket Purchase Orders. A City Blanket Purchase Order (CBPO), formerly called a Term Contract, is a contract between the City and a vendor for an indefinite quantity of the goods or services, at a specified unit price for each good or service. A City Blanket Purchase Order is formally advertised and bid by the Purchasing Department, and the contract is valid for a specific period of time. City Blanket Purchase Orders are used for items ordered on a frequent or regular basis, and allow City departments to order the specified products or services directly from the vendor.

Departmental Blanket Purchase Orders. A Departmental Blanket Purchase Order (DBPO) is established individually between a vendor and a Department, typically for regularly used items not included in a CBPO. Pursuant to the revised *Guide to Ordering Goods and Services*, the

Purchasing Department encourages departments to establish DBPOs for annual expenditures of $25,000 or more from any one vendor.

Requisitions for Purchase Orders. For non-recurring types of materials and supplies purchases, departments can utilize a Requisition for Purchase Order. The Purchasing Department reviews each departmental request and determines whether a formal or informal bidding process is required. The Purchasing Department also determines whether an existing City Blanket Purchase Order is available for the purchase.

Open-Market Purchase. Based upon the type of item, the Purchasing Department may purchase an item by issuing a one-time bid for the item. The item is then purchased directly from the vendor.

After an item is ordered, payments are made through one of these purchasing mechanisms:

City Blanket Purchase Order Release. Departments use a City BPO Release for items that are covered under a City Blanket Purchase Order. Each time a department needs an item provided under a City BPO, the department submits a CBPO Release to Purchasing, which encumbers the funds for the purchase.[1]

Department Blanket Purchase Order Release. Departments use a DBPO Release to order from a vendor with which the Department has a DBPO. Each time a department needs an item provided under a DBPO, the department submits a DBPO Release to Purchasing.[2]

Revolving Fund Purchases. Revolving Fund purchases are used for small, non-repetitive purchases, such as urgently needed items and small repairs. The Controller's Departmental Instruction No. 1052, the guidelines established for the use of Revolving Funds[3], states that routinely purchased items should not be purchased through a revolving fund. Such items should be requisitioned through either a City Blanket Purchase Order or a Departmental Blanket Purchase Order, meaning that the SFPD should request

[1]For departments that are on-line with ADPICS, the Department submits the Release electronically, and the order form is generated at the Department and then sent to the vendor. For off-line departments, the manual form is sent to the Purchaser, who prints the order form and sends it to the vendor.

[2]For departments that are on-line with ADPICS, the Department submits the Release electronically, and the order form is generated at the Department and then sent to the vendor. For off-line departments, the manual form is sent to the Purchaser, who prints the order form and sends it to the vendor.

[3]This Departmental Instruction, issued August 28, 1996, supersedes the Controller's Departmental Instruction, No. 983, issued May 20, 1985.

the item through the Property Room or the City's Purchasing Department, and the Controller would encumber the funds within the materials and supplies budget once the order has been filled. Specific Revolving Fund guidelines and issues related to the SFPD's use of the Revolving Fund are discussed later in this section.

Purchases under $5,000. The San Francisco Charter (formerly §7.100, to be transitioned to ordinance) states that departments may purchase items directly from vendors for any items that are less than $5,000. Such purchases require the approval of the Purchaser and the recommendation of the department head. This should be used for items that are not available through the City Blanket Purchase Orders or Departmental Purchase Orders.

SFPD Procurement and Inventory Functions

The Police Department's inventory procurement activities are centralized through the SFPD's Property Room. The SFPD's Property Room is responsible for procuring inventory items based upon the methods described above (City Blanket Purchase Order, Requisitions for Purchasing Orders, or open market purchasing). The Fiscal Division of the SFPD is responsible for making payments through one of the payment authorities, such as through a City BPO Release, a Department BPO Release, through the Revolving Fund or through a direct payment to the vendor.

In addition to these procurement functions, the SFPD Property Room maintains a centralized warehouse for the entire department, and is responsible for performing daily inventory management. The Property Room is also the repository for property that is seized as evidence by police officers.

Inventory Management and Preferred Practices

Significant features of inventory management include ensuring that the proper internal controls are present. Internal control strategies are essential for inventory management at the Police Department primarily to:

1) Ensure that the SFPD's warehouse is secure from theft;

2) Determine whether the physical storage capacity is adequate and that inventory does not contain items that the SFPD does not use;

3) Minimize costs associated with carrying excess inventory items; and

4) Facilitate employees' productivity through the prompt availability of needed supplies and materials.

Based upon these internal control requirements, the preferred practices of inventory management include:

1) Performing daily inventory counts, preparing daily transaction reports and inventory-in-transit reports, and compiling a listing of inactive stock.

2) Ordering inventory based upon "just-in-time" management, meaning that optimal levels of inventory are developed, and new materials are re-ordered only when inventory is below this level (a "re-order point"). Using re-order points will minimize the cost of maintaining excess inventory (the "carrying cost of inventory").

3) Analyzing inventory usage and evaluating whether items held in inventory are appropriate, and whether stock levels are adequate or excessive.

Inventory management will become increasingly important with the full implementation of Proposition D (full sworn staffing), as the increase in the number of sworn personnel will lead to a more materials and supply requests. There will be a corresponding need to process requests in a timely and efficient manner. In addition to a greater need for efficiency in the face of growing demand, there is potential for cost savings with improved inventory management and procurement practices.

Methodology

In order to evaluate whether the SFPD's current procurement and inventory distribution system is cost-effective, efficient, and has sufficient management controls over the acquisition and distribution of inventory, we performed the following activities:

- Interviewed the Commanding Officer, Storekeepers, district station personnel, and Property Room and Fiscal Division staff;
- Toured the Property Room facilities and observed operations for requesting and completing orders at the Property Room;
- Reviewed budget documents, supply requisitions and emergency supply requests, and revolving fund vouchers;
- Developed an analysis of staff time involved in completing inventory requests;

- Obtained staffing costs for the SFPD Property Room.

CURRENT PROCUREMENT AND INVENTORY METHODS

As previously noted, the SFPD's inventory procurement activities are centralized through the Property Room, which is responsible for procurement of equipment and supplies, and for maintaining a central inventory in the Property Room warehouse. In addition, individual units may procure items directly from vendors through the use of the Revolving Fund.

The SFPD is comprised of approximately 130 departmental units. A department unit is either a district station, or a specialized unit, such as vice crimes, support services, crime prevention or the legal division. At the district stations, a sworn officer or civilian acting as a "Station Facilitator" is responsible for completing all supply requisitions. At other units, there typically is one person responsible for supply requests. The process for delivering supplies depends upon the type of item that is ordered.

Centralized (Property Room) Procurement Methods

For items procured by the SFPD Property Room and maintained in the central Property Room inventory, the following procedures apply:

- The Station Facilitator or designated individual from each departmental unit completes a supply requisition on a monthly basis and submits this requisition to the Property Room. Written authorization for the requisition must be obtained by a commanding officer.

- During the month, if particular Property Room items are required on an expedited basis, then Station Facilitators must complete an "emergency supply" request that will be filled within a 24-hour period. The Property Room prioritizes emergency requests over monthly requests.

- Upon completion of monthly and the "emergency" request orders, Property Room personnel notify the requesting unit that the request has been completed.

- Requesting units are responsible for picking up the requested items from the Property Room, which is located in the basement of the Hall of Justice. Staff time is incurred traveling to the Property Room and loading and unloading the inventory items.

- As the level of inventories decrease, the Property Room re-orders items to ensure that an adequate stock is available.

- All invoices for materials and supplies procured by the Property Room are sent directly to the Fiscal Division. The Fiscal Division will typically send a copy of the invoice to the Property Room to reconcile the request with the packing slip.

Decentralized Procurement Methods

Items Not Stocked by the Property Room

The following procedures apply for items that are not stocked within the SFPD's Property Room:

- The requesting unit must first obtain written authorization by the commanding officer responsible for management of the requesting unit.

- The Fiscal Division then reviews and authorizes the item(s).

- The SFPD Fiscal Division submits the purchase order to the Purchasing Department. The Purchasing Department determines whether the item is available under an existing City Blanket Purchase Order, or whether a formal or informal bidding procedure is required.

Procurement of Firearms and Ammunition

Firearms and ammunition are handled separately through the Police Pistol Range. The following procedures apply:

- Units requesting firearms or ammunition must submit a request to the Police Pistol Range.

- The commanding officer at the Police Pistol Range will then check whether the item is available in the inventory. If the item is not available, then a Purchase Order will be sent to the Fiscal Division to reorder additional items.

- The Police Pistol Range also visits the units, and periodically audits the firearms and weapons on hand in individual units to maintain adequate security over weapons.

- The commanding officer at the Police Pistol Range replenishes the inventory, and develops the annual departmental budget request for firearms and ammunition.

Procurement of Uniform Clothing

The following procedures apply for the procurement of uniform clothing:

- Uniforms are not kept in the Property Room's inventory. In order to complete a request for a uniform item, an officer must first obtain a written authorization from the commanding officer.

- The commanding officer will then submit a uniform request to the Property Room where an assigned clerk will review the request to determine the last time the uniform item was ordered for the officer in question.

- The request voucher will then be sent directly to the appropriate contract uniform vendor.

- Depending upon the item requested, the vendor SFPD would utilize would be either Butler's Uniforms or Caleb V. Smith. These vendors stock all uniform-related equipment items including boots, coats, jackets, shirts, shoes and trousers, belts, handcuff cases and batons.

- Once the request voucher is sent to the appropriate vendor, the officer has 14 days to go to the vendor to be sized for the item. If the officer does not appear within 14 days, the vendor will notify the officer, and beyond 14 days, the request will have to be re-issued.

The SFPD has indicated that this practice has been initiated rather than stocking the items in the Property Room because 1) there is a risk of over-ordering items that are not appropriate sizes, and 2) purchasing directly from the vendor guarantees that the City receives a better price for the item, as the vendor can maintain a larger inventory.

Procurement of Computer Supplies

The Management Information Systems (MIS) Division of the SFPD is responsible for purchasing all computer equipment, software and supplies for the Department. Requests for such equipment are directed to the MIS division, which orders the appropriate supplies from the vendors regularly used. The MIS Division coordinates procurement of computer equipment and supplies to insure uniformity and compatibility of the Department's computer equipment and software.

Procurement of Crime Laboratory Supplies

The Crime Laboratory is responsible for procuring specialized supplies used only in the Crime Laboratory, such as chemicals used for laboratory tests. The Crime Laboratory also orders commonly used items (such as office supplies) through the Property Room.

Items Purchased Through the Revolving Fund

As previously noted, Revolving Fund purchases are used for small, non-repetitive purchases, such as urgently needed items and small repairs. For items purchased from the SFPD's Revolving Fund, the following procedures apply:

- The SFPD Revolving Fund was authorized pursuant to San Francisco Administrative Code Section 10.125, which specifies that the SFPD is authorized up to a maximum amount of $12,000 to make disbursements for petty cash purchases and for disbursements which cannot be conveniently made through purchase orders or warrants drawn by the Controller. These purchases still are subject to the applicable rules and regulations of the Controller and the Purchaser. The Revolving Fund may be used for purchases of goods or services of $200 or less from any one vendor per day for authorized items.

- Units submit invoices to the Fiscal Division for direct payment through the Revolving Fund. These requests are for payment or reimbursement after the items have already been purchased.

- The expenditure submitted for payment or reimbursement must be approved by a unit supervisor, and also approved by the Fiscal Division. Only five individuals are authorized to approve the expenditure on behalf of the Fiscal Division, including the Police Chief, the Assistant Chief, the Deputy Chief, Administration, and the Lieutenant and one Officer in the Fiscal Division.

- One 1650 Accountant in the Fiscal Division is responsible for writing the checks from the Revolving Fund, but the checks must be signed by two of the five individuals noted above.[4]

- After expenditures are made from the Revolving Fund, the Fiscal Division will complete a summary voucher containing several Revolving Fund transactions, and submit the voucher to the Controller.

[4] Prior to 9/10/96, only one signature was required on Revolving Fund checks.

- The Controller will then review the request and will replenish the Revolving Fund by transferring funds available in the department's annual materials and supplies budget.

The Controller issued departmental instructions regarding the establishment and administration of departmental Revolving Funds, designed to ensure that a Revolving Fund is used appropriately.[5] These guidelines specify that the following items are not reimbursable through a Revolving Fund:

- Travel expenses;
- Membership fees;
- Equipment purchases or rentals, payments for equipment maintenance and/or payment of purchases for any regularly used commodities and services.

The Controller's Departmental Instruction No. 1052, updated in August, 1996, also provides regulations regarding the procedures for management and administration of revolving funds, and provides for increased controls over invoices that are accepted for payment.

As noted above, routinely purchased items should be requested through the Property Room or through the City's Purchasing Department instead of using the Revolving Fund. In the case of items ordered through the Property Room or the Purchasing Department, the Controller encumbers the funds within the materials and supplies budget once an order has been requested. Revolving Fund purchases, by contrast, are reimbursed after the item(s) have already been purchased.

In summary, the SFPD has a centralized inventory system for routinely purchased equipment and supplies. Specialized equipment such as uniform clothing and ammunition are ordered through different methods in order to maximize security and efficiency. In addition, the centralized procurement process can essentially be circumvented by the individual units through the use of the Revolving Fund for procurement of items valued under $200.

EVALUATION OF THE SFPD's CURRENT PROCUREMENT AND INVENTORY PRACTICES

The current process for maintaining inventories with the SFPD is primarily centralized. However, as noted in the preceding section, separate processes exist for items that are not stocked within the SFPD Property Room (e.g. Purchase Ordered non-recurring items, uniforms and firearms, and Revolving Fund purchases). We have identified significant internal control weaknesses and efficiency issues in several areas.

[5] Controller's Departmental Instruction, No. 1052, August 28, 1996.

It should be noted that the Property Room and the Fiscal Division have recently taken steps to address some of the internal control weaknesses identified in this section. We discuss these improved control measures at the end of this sections.

Evaluation of Centralized Property Room Functions

Current Staffing and Costs for Completing Orders through the Property Room

The current cost to the SFPD for ordering, maintaining and distributing supplies consists of the following:

- **Property Room staff time associated with ordering and processing inventory requests.** Three storekeepers, at an estimated annual cost of $135,000, have primary responsibility for completing the supply requests and maintaining the Property Room inventory. A clerk typist and the commanding officer also spend a portion of their time administering the centralized warehouse functions.

- **Staff time required to pick up supplies at the Hall of Justice.** Based upon the current number of requests that are issued on an annual basis, it is estimated that approximately $114,000 is incurred annually for picking up and delivering supplies. These costs represent the time spent by sworn and non-sworn personnel traveling to and from the Property Room, which is located in the Hall of Justice. Although most units are located in the Hall of Justice, staff time must be spent by traveling from the district stations, and other units such as the Police Academy, that are located throughout the City.

- **Staff time required for completing supply requests at the unit level.** Currently, approximately 4,750 supply requests are issued annually by the 130 SFPD units, which is on average three supply requests per month. Based upon this level of activity, the SFPD spends approximately $34,000 annually on sworn and non-sworn staff time required to complete supply requisitions. The current excessive number of requests that are issued are discussed below.

Therefore, the total labor cost to order, maintain and distribute supplies is estimated at $283,000 annually.

Benefits of Centralized Purchasing and Warehousing

In general, the benefits of centralizing most purchasing functions include the following:

- By maintaining a central warehouse as the central point of receipt for all stock inventory items, a department is able to reduce the level of effort involved to order and receive City Blanket Purchase Order and Purchase Order items.

- By maintaining a single point of receipt, a department can assemble all the supporting documentation required to process invoices in a timely manner. In addition, the flow of accounts payable supporting documentation is centralized.

- A central warehouse allows for greater security and control over inventory, as all items are received and distributed from one location, minimizing points of potential theft or security breaches.

- A centralized inventory allows for greater management control over inventory usage and re-ordering, which enables more efficient budgetary and fiscal management.

Identification of Internal Control Weaknesses

The following significant internal control weaknesses were identified for those centralized activities that occur within the SFPD's Property Room:

- **The SFPD is unable to determine the current dollar value of its inventory.** In addition, the SFPD was unable to identify the last date a physical inventory was completed.

- **The SFPD does not track its inventory usage.** Without tracking inventory usage, the SFPD cannot determine inappropriate inventory usage, or whether items have been lost, stolen, or issued to authorized personnel. In addition, tracking actual usage is essential for developing budget requests and establishing re-order points.

- **The SFPD has no written policies and procedures regarding inventory re-order points.** As a result, there is no way to determine whether an appropriate mix of inventory is held, or whether significant levels of inactive stock remain on the shelves. Excessive inventory carrying costs may result from ordering items before it is necessary to do so, and from maintaining stock which is inactive. Also, inefficiencies result when needed items are out of stock.

- **SFPD units are not provided with specific procedures regarding appropriate supply levels.** Without formal guidance regarding appropriate supply levels or re-ordering guidelines, units often replenish supplies more frequently than necessary. Departmental units

issue an average of three requests monthly, which often contain only one or two items. For instance, 50 percent of the 119 requests reviewed from two stations contained three or fewer items.

- **There is no comprehensive listing of supply items available from the Property Room.** A similar consistent format is not available to departmental units to request items. As a result, there are inconsistencies in the manner that units will request items, which results in an excessive amount of staff time required to review requests.

- **Supply requisitions are completed by unauthorized persons.** For instance, up to six different persons issued supply requests from the Richmond District Station during 1995. Approval for these requests was received by up to four different personnel, and 12 out of 58 requests (21 percent) did not receive any authorization. Completion of supply requisitions without the required authorization indicates a lack of management controls and accountability, and may result in duplicate or inappropriate procurements and expenditures.

- **No formal policy exists for segregation of ordering and receiving functions.** No procedure currently exists to formally separate ordering activities from receiving of ordered goods, which is a key feature of inventory control and management. Separating ordering and receiving functions is a safeguard against potential impropriety and theft. In the course of this audit we found instances where the ordering and receiving functions are currently being performed by the same individual(s).

Identification of Inventory Management Weaknesses

Since the SFPD lacks written policies and procedures that describe appropriate supply levels and re-ordering protocols, units often submit unnecessary supply requests. The Property Room estimates that, on an annual basis, a total of 4,750 requisitions are completed, consisting of approximately 700 monthly requests and 4,050 "emergency" requisitions. Emergency requisitions issued often contain routine items. For instance, "emergency" requests include items such as hanging folders, tabs, batteries, magnetic paper clip dispensers, stamp pads, wall calendars and similar items that should be requested during the normal monthly requisition process. Department staff estimates that of the 4,050 "emergency" requests issued, only 22 percent (900 requests annually) are special orders that are required to be completed within one day.

Station Facilitators report that there are frequent delays in receiving monthly supply requests from the Property Room, and that they often submit "emergency" requests

when goods requested through the monthly supply requests are not received on a timely basis.

These internal control weaknesses impact upon the entire process for acquiring and distributing inventories. For instance, because units are not provided with a comprehensive listing of supply items, units often bypass the centralized Property Room warehouse and instead utilize the Revolving Fund inappropriately for materials and supplies purchases.

Evaluation of Revolving Fund Procurement Methods

The SFPD was requested to provide a summary report detailing actual expenditures and types of purchases made from the Revolving Fund on an annual basis. The SFPD does not track total expenditures made from the Revolving Fund, but did provide the management audit staff with access to the Department's Revolving Fund Vouchers. The management audit staff calculated the total expenditures made from the Fund annually based on a one year sample of vouchers from calendar year 1995[6].

We estimate that approximately $148,000 in expenditures are made from the Revolving Fund annually, through approximately 1,200 separate purchases with an average cost of approximately $124 per purchase. Revolving Fund Vouchers, that typically contain 20 to 30 separate purchases or reimbursements, are submitted to the Controller for replenishment of the departmental Revolving Fund. Our sample of Revolving Fund Vouchers for calendar 1995 contained 46 separate vouchers with an average value of approximately $3,207 per voucher. As previously noted, the Department has a $12,000 revolving fund, indicating that the fund was replenished 13 times or more during that one year period.

Identification of Internal Control Weaknesses

Based on a random sample of vouchers submitted during the twelve month period from January 1995 through December, 1995[7], several significant internal control weaknesses were identified:

- **The Revolving Fund was used inappropriately as an expedient purchasing method for any material or supplies purchase of $200 or less, including routine supply items purchased by the Property Room that should be procured through City or Department BPOs.**

[6] Revolving Fund Summary Vouchers, January, 1995 to December, 1995 were sampled.

[7] A random sample of nine of the 46 vouchers were examined, including a total of 223 purchases at a total cost of $27,569, or 19 percent of total revolving fund purchases for 1995.

- **Many Revolving Fund purchases were made repeatedly for the same items or from the same vendors, indicating that the Department should develop Department BPOs or other purchasing arrangements with these vendors.**

- **The $200 per invoice per day limit was frequently circumvented by placing several smaller orders on separate invoices, or ordering more frequently in amounts costing exactly $200 or less.**

- **Some purchases made through the Revolving Fund exceeded the $200 per invoice limit (exclusive of tax and shipping charges), and these purchases were approved and paid by the Fiscal Division.**

- **Payment of $100 per month for officers who keep Police dogs was being paid as a reimbursement from the Revolving Fund, when this payment should correctly be treated as premium pay through payroll.**

- **The Revolving Fund was being used inappropriately to circumvent the centralized supply functions, for the purchase of items that should be procured through the Property Room, or through the MIS Division.**

- **The Department could not provide a comprehensive list of vendors that the Department has existing DBPOs with, or a list of preferred vendors for emergency purchases made through the Revolving Fund.**

Specific examples of such inventory control weaknesses include:

- **Approximately 22 percent of purchases made through the Revolving Fund are for routinely purchased items that should be ordered by the Property Room through Citywide or Department Blanket Purchase Orders.** Such purchases include office supplies, latex gloves, light bulbs, and cleaning supplies. These purchases totaled over $8,497 of the total sample of approximately $27,659 in purchases, or nearly 31 percent of expenditures. On an annual basis, this corresponds to approximately 256 Revolving Fund purchases (of 1,189 total annual Revolving Fund purchases), at an estimated cost of $45,464.

- **Approximately seven percent of purchases made through the Revolving Fund are for supplies routinely used in the Crime Laboratory.** Most of these purchases were made from four vendors with whom the Crime Lab places orders on a regular basis.

- **Nearly eight percent of purchases, representing 90 purchases on an annual basis, are for computer and typewriter supplies.** Some of these purchases are for regularly used parts purchased repeatedly from a

several vendors. Many of these purchases are for software, printers or other supplies not purchased or approved by the MIS division, often for software and/or supplies that are not in compliance with Departmental standards or technologies.

Such inappropriate usage of the Revolving Fund indicates an inadequate level of management control and policy guidelines, and may result in higher expenditures for materials and supplies. By utilizing the Revolving Fund in an appropriate manner, the SFPD could be guaranteed that the best price is obtained for purchases by purchasing the item through a City Blanket Purchase Order, under which the City is guaranteed a particular price. Shipping and handling charges could also be avoided by eliminating the use of the Revolving Fund for these purchases.

Recent Steps to Improve Management Controls

General Policies

In January, 1996 the SFPD re-issued a Department Bulletin regarding Purchasing and Ordering Procedures. This bulletin described the appropriate methods of ordering goods and services, and warned that those who do not follow the guidelines shall be personally responsible for payment of the goods or services ordered through incorrect methods. The guidelines stated that: a) routine supply items must be ordered through Property Control; b) computer equipment, support or supplies must be requested by memorandum to the Commanding Officer of the Planning Division; c) non-routine supplies or services must be requested by memorandum through the Fiscal Officer; and d) emergency supplies needed after business hours must be authorized through the Operations Center and the Fiscal Officer, and documented by memorandum to the Fiscal Officer within two days.

In September, 1996 the Department issued a revised Department Bulletin that further detailed proper procedures for vehicle-related and communications-related (PIC radios, batteries, ear pieces) requests. In addition, the Bulletin contains a revised policy for procurement of non-routine supplies or services that requires that a written request include a vendor price quotation, a vendor phone number, a shipping address and a contact person.

In addition, the Property Room Manager advises that only five individuals in the Department can authorize supply orders, and that vendors have been notified that a) all orders must be authorized by one of these five individuals; and b) vendors will not be paid for orders filled without the appropriate authorization.

Lastly, the SFPD has recently devised a detailed plan to improve all aspects of materials and supplies procurement and distribution to incorporate many of the recommendations in this report. This new plan is designed to operate on a combined centralized and decentralized basis and will eliminate the practice of uniformed

officers traveling to the central supply room at the Hall of Justice to pick up items. Instead, storekeepers will be responsible for delivering items to outlying units and District Stations.

Revolving Fund Procedures

Pursuant to the revised Controller's Departmental Instruction Nos. 1051 and 1052 in August 1996, the Police Department has tightened controls over revolving fund purchases and reimbursement or payment methods. All checks written on the revolving fund now require two signatures by authorized personnel. In addition, all requests for payment or reimbursement must be accompanied by a memorandum explaining the nature of the expenditure and the reason no other procurement method could be used for the purchase.

In addition, the Police dog subsistence reimbursement is now included in the Police Officers Association Memorandum of Understanding (MOU). Payment of the $50 biweekly premium pay will be awarded to all individuals that take on Police dog responsibilities, and this will be paid through payroll rather than the revolving fund.

The SFPD and the Budget Analyst concur that elimination of inappropriate purchases through the revolving fund will result in savings of approximately $150,000 annually.

Inventory Bar-Code System

The Department reports that it is in the process of procuring an inventory management computer system that will include a bar-code tracking system that can track utilization by department unit, and inventory re-order points. The Department reports that the funds for this project are included in the Department's budget for 1996-97, and that they are in the process of researching potential vendors of an off-the-shelf inventory control system. The Department reports that it expects to issue a Request for Proposal within the next few months and hopes to install the system by the end of the fiscal year.

Conversion to Online FAMIS and ADPICS

The Department reports that the computer terminals and furniture required for the Department to go on-line for FAMIS and ADPICS (the City's procurement and ordering system) were installed in July, 1996. Employee training in these systems is commencing at this time, and the Department hopes to be on-line by November or December.

PROPOSED DECENTRALIZATION OF INVENTORY FUNCTIONS

The internal control weaknesses identified above demonstrate that there is no clear benefit to centralized Property Room functions. In addition, as noted above, approximately $283,000 is spent annually on activities related to the centralized Property Room. Allowing units to arrange for direct delivery of items would enable the SFPD to perform these activities in a more cost-efficient manner.

Proposed Procedures for Decentralization

Under a decentralized process, the following procedures should apply:

- The SFPD should formally designate one individual as the Facilitator in each unit who would be responsible for ordering and maintaining inventory at that unit. Although technically this is the current procedure, as noted, unauthorized persons also submit supply requests. The SFPD should specifically designate the Facilitator with sole signatory authority to perform inventory functions. The SFPD should also authorize an alternate Facilitator in each unit to serve as a back up if the designated Facilitator is absent.

- The designated unit Facilitator would order supplies directly from vendors for items that can be purchased on a decentralized basis. This would include uniform requests which would be submitted directly to the uniform vendors. A copy of the order would be faxed to the Fiscal Division.

- Special items that are not available in a catalogue would be required through a Purchase Order, and should be submitted directly to the Purchasing Department.

- A person separate from the unit Facilitator should be designated to perform the receiving function, including counting items when received and noting discrepancies on the packing slip. The packing slip should then be faxed to the Fiscal Division for payment. Separation of ordering functions (performed by the Facilitator) and receiving functions (performed by a different staff person) is necessary to provide sufficient safeguards against impropriety or theft.

- Invoices should be received and processed by the Fiscal Division as is currently done.

- The SFPD should develop policies that identify when items should be re-ordered. The designated Facilitator should keep accurate records which track inventory usage, in order to maintain an adequate amount

of inventory on-hand so that excessive orders would not be required. An inventory usage report should be faxed to the Fiscal Division twice annually.

- Periodic physical inventory counts should be performed by the SFPD units, and any discrepancies would be reported to the Fiscal Division.

Savings can be achieved through:

- Elimination of staff time used to travel to and from the Property Room warehouse to pick up, load and unload the items. Staff have indicated that the current time required to complete these activities can range from 30 minutes to several hours to complete each request.

- Staff time required to submit and process an excessive number of "emergency" supply requisitions, which are submitted as a result of delays in monthly supply requisitions from the Property Room.

The Fiscal Division should require that vendors consolidate billings for multiple City Blanket Purchase Order orders. Also, the procurement process will likely be less labor intensive with the on-line FAMIS system, which will automate the placement of orders under City Blanket Purchase Order with the City.

Benefits of Decentralization of Inventory Functions

The following benefits would be achieved from decentralizing inventory functions in the department:

- A reduction in the time required to receive items would result. Currently, approximately 40 percent of supply requests are completed within one day. However, this can be attributed to the number of "emergency" or special requests that are submitted to the Property Room on an annual basis. Also, almost 30 percent of requests to the Property Room, or approximately 1,425 requisitions on an annual basis, take eleven working days or longer to complete. The current range of days to complete requisitions was within the same day to within 34 working days (almost seven weeks). By maintaining an adequate stock on-hand and utilizing re-order point procedures, the SFPD could eliminate any delays in processing inventory requests. Also, the number of "emergency" requests are often a result of the delays in receiving the monthly request items, and therefore, this would be eliminated under a decentralized system.

- An elimination of the requirement for staff time spent traveling to the Hall of Justice to pick up items. Over 3,800 of sworn and non-sworn staff

hours are spent annually traveling to the Property Room warehouse in the Hall of Justice to pick up, load and unload items. Direct delivery of items to the units would eliminate this inefficient use of staff time which is estimated to cost $114,000 annually.

- The elimination of the use of the Revolving Fund for inappropriate purchases. Since each unit would maintain appropriate levels of supplies purchased through City Blanket Purchase Orders or Purchase Orders, the use of the Revolving Fund should be limited to appropriate expenditures only. The SFPD would also be guaranteed that best prices are received by maximizing City Blanket Purchase Order purchases.

- An elimination of the need for supply requisitions. Rather than completing excessive paperwork approximately three times monthly, the unit facilitator would periodically complete purchase orders to be submitted directly to the vendors.

- A comprehensive listing of supply items would be available from the vendors. Therefore, there would be uniformity in the requests that are submitted by the units, and the units would know which items are available for ordering.

The SFPD should continue to maintain certain inventory items on a centralized basis. For instance, firearms and ammunition are currently controlled centrally by the Police Pistol Range. This is required to maintain adequate security over firearms and ammunition issued. Police Pistol Range staff also periodically audit the firearms and weapons on hand in individual units to identify any discrepancies. In addition, certain forms and related items which must be secure from loss or inappropriate distribution should remain a centralized function.

MANAGEMENT CONTROLS

Under a decentralized inventory system, departmental units would also be responsible for implementing adequate management controls over the procurement and storage of inventories. As a first step to increasing decentralization, a department-wide inventory assessment would have to be performed to identify a baseline of inventory items that are currently on-hand.

Significant features of an internal control system that should be present at the departmental units include the following:

- Proper management oversight and review of personnel and inventory;

- Adequate security to protect inventory against theft and natural threats. As noted, units typically have secured areas for inventories, but the department would want to assess the adequacy of these facilities;

- Adequate controls and accounting records available for all inventory transactions, including inventory available in the warehouse and actual expenditures by inventory type;

- Separation of ordering and receiving functions, as well as quality assurance checks on inventory to assess whether inventory transactions are accurate;

- Documentation detailing re-order points, life cycle cost analysis, periodic inventory counts, and inactive inventory;

- Random audits conducted by the management control division which identify any discrepancies in stock on-hand versus accounting records showing stock available.

CONCLUSION

The SFPD currently operates a centralized warehouse within the SFPD Property Room which orders, maintains and distributes supplies to the SFPD units. By decentralizing the inventory function, and allowing units to arrange for direct delivery of items would enable the SFPD to perform in a more cost-efficient manner.

The benefits of increasing decentralized procurement and inventory functions and appropriate improvements to centralized functions include increased security and inventory control, reduced usage of the revolving fund, a reduction in the amount of staff time required for traveling because supplies would be directly delivered to the units by either vendors or storekeeper staff, and an elimination of paperwork required to submit supply requisitions at the units.

Significant management controls would have to be improved at the district stations which would allow for proper management oversight, ensuring that the inventory is secure and to minimize costs associated with carrying excess inventory. Under a combined decentralized and centralized inventory management system, the SFPD could eliminate other inefficient processes, thereby reducing the amount of time required to receive supplies, and utilize staff resources more efficiently, saving at least $114,000 in staff time annually.

RECOMMENDATIONS

6.1 Modify existing inventory procedures to allow for units to directly order and receive materials from vendors holding City or Department Blanket Purchase Orders.

6.2 Implement appropriate internal control policies at the Departmental and unit levels which would provide for sufficient management oversight (such as periodic inventory reviews, and separation of ordering and receiving functions).

6.3 Designate one unit facilitator at each departmental unit who would be responsible for processing inventory orders and maintaining inventories.

6.4 Identify methods to streamline procurement processes between departmental units and the fiscal division, such as consolidation of vendor billings for multiple City or Department Blanket Purchase Order orders.

6.5 Perform a department-wide inventory at all departmental units to establish a baseline of inventory items on-hand.

6.6 The Fiscal Division should conduct periodic reviews of supply utilization by vendor, product type and unit. Appropriate controls or vendor relationships should be developed based on the findings of these periodic reviews.

COSTS/BENEFITS

Implementation of the above-listed recommendations would result in an estimated cost reduction of $150,000 annually through elimination of inappropriate purchases through the revolving fund. Inefficient processes for staff travel time representing $114,000 annually would also be eliminated. The proposed decentralized inventory functions could be absorbed by existing staff. Total benefits would therefore amount to $264,000 annually.

POLICE DEPARTMENT
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FRED H. LAU
CHIEF OF POLICE

December 2, 1996

Mr. Ken Bruce
Senior Manager
Office of the Budget Analyst
1390 Market Street, Suite 1025
San Francisco, CA 94102

Dear Mr. Bruce:

As the San Francisco Police Department continues to evolve in the area of Community Oriented Policing Services, we embrace the opportunity to assess our organization and its operations through clear and objective eyes.

We have reviewed the draft management audit report of the police department that you and your staff have prepared. Providing us with the draft version afforded us the opportunity to respond to the report to suggest changes that may further clarify some of the issues raised. Deputy Chief William Welch and his staff have been working vigorously to research and comment on particular areas of the document. We are in agreement with many of the recommendations made, some of which we began working on prior to this report, others we would like to implement in the near future.

A review team will continue to appraise and identify sections of the document which may require additional discussion. I look forward to our continued dialogue throughout this review process. I wish to acknowledge my appreciation for your cooperation and support as we move forward in an effort to better serve the citizens of San Francisco.

Sincerely yours,

FRED H. LAU
Chief of Police